

September 29, 2006

Mrs. Diana Whitney
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc.
LCU 16-2H;

Surface Location: 1,469' FSL & 357' FWL, NW/4 SW/4, Section 1,
Target Location: 660' FSL & 660' FEL, SE/4 SE/4, Section 2,
T11S, R20E, SLB&M, Uintah County, Utah

Dear Mrs. Whitney:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the Application for Permit to Drill (APD) for the above referenced state mineral BLM surface directional well. The location of the surface and target location as well as all points along the intended well bore path are within Cause No. 259-01 and are not within 460 feet of the unit boundary or any uncommitted tracts. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan;

Exhibit "F" - Typical BOP and Choke Manifold diagram.

Please accept this letter as Dominion's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Carla Christian of Dominion at 405-749-5263 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for Dominion

cc: Fluid Mineral Group, BLM—Vernal Field Office
Carla Christian, Dominion
Ken Secrest, Dominion

RECEIVED

OCT 05 2006

DIV. OF OIL, GAS & MINING

ORIGINAL

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: ML-48771	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: Little Canyon	
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.			9. WELL NAME and NUMBER: LCU 16-2H	
3. ADDRESS OF OPERATOR: 14000 Quail Sp Pkwy CITY Oklahoma City STATE OK ZIP 73134			10. FIELD AND POOL, OR WILDCAT: Undesignated	
4. LOCATION OF WELL (FOOTAGES) <i>616700x 4415812y 39.886234 -109.635166</i> AT SURFACE: 1,469' FSL & 357' FWL, NW/4 SW/4, Section 1, AT PROPOSED PRODUCING ZONE: 660' FSL & 660' FEL, SE/4 SE/4, Section 2, <i>616394x 4415562y 39.884028 -109.638789</i>			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 11S 20E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.14 miles south of Ouray, Utah			12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 357'	16. NUMBER OF ACRES IN LEASE: 638.50	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 450'	19. PROPOSED DEPTH: 9,300	20. BOND DESCRIPTION: SITLA Blanket 76S 63050 361		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,439'	22. APPROXIMATE DATE WORK WILL START: 6/1/2007	23. ESTIMATED DURATION: 14 days		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2"	13-3/8" H-40 ST 48#	500	see Drilling Plan
12-1/4"	9-5/8" J-55 ST 36#	3,950	see Drilling Plan
7-7/8"	5-1/2" Mav 80 L 17#	<i>TVD 9,300</i>	see Drilling Plan
		<i>MD 9633</i>	

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

☒ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

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NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.
SIGNATURE Don Hamilton DATE 9/29/2006

(This space for State use only)

API NUMBER ASSIGNED: 43-047-38675

APPROVAL:

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DOMINION EXPLR. & PROD., INC.
LCU #16-2H
SECTION 1, T11S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 13.5 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 150' TO THE EXISTING #12-1H AND THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 340' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.1 MILES.

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 16-2H
SHL: 1469' FSL & 357' FWL Section 1-11S-20E
BHL: 660' FSL & 660' FEL Section 2-11S-20E
Uintah County, UT

1. GEOLOGIC SURFACE FORMATION Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>
Wasatch Tongue	3,635'
Green River Tongue	3,975'
Wasatch	4,115'
Chapita Wells	4,955'
Uteland Buttes	6,055'
Mesaverde	6,805'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

<u>Formation</u>	<u>Depth</u>	<u>Type</u>
Wasatch Tongue	3,635'	Oil
Green River Tongue	3,975'	Oil
Wasatch	4,115'	Gas
Chapita Wells	4,955'	Gas
Uteland Buttes	6,055'	Gas
Mesaverde	6,805'	Gas

4. PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Conn.</u>	<u>Top</u>	<u>Bottom</u>	<u>Hole</u>
Surface	13-3/8"	48.0 ppf	H-40	STC	0'	500'	17-1/2"
Intermediate	9-5/8"	36.0 ppf	J-55	STC	0'	3,950'	12-1/4"
Production	5-1/2"	17.0 ppf	MAV-80	LTC	0'	9,300'	7-7/8"

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized.

Intermediate hole: To be drilled using a diverter stack with rotating head to divert flow from rig floor.

Production hole: Prior to drilling out the intermediate casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from surface to total depth. The blind rams will be tested once per day from surface to total depth if operations permit.

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DRILLING PLAN

APPROVAL OF OPERATIONS

A diagram of the planned BOP equipment for normal drilling operations in this area is attached. As denoted there will be two valves and one check valve on the kill line, two valves on the choke line, and two adjustable chokes on the manifold system. The BOP "stack" will consist of two BOP rams (1 pipe, 1 blind) and one annular type preventer, all rated to a minimum of 3,000 psi working pressure.

The BOP equipment will be pressure tested prior to drilling out surface casing shoe and anytime a new casing string is set. All test pressures will be maintained for fifteen (15) minutes without any significant pressure decrease. Clear water will be circulated into the BOP stack and lines prior to pressure testing. The following test pressures will be used as a minimum for various equipment items.

1.	Annular BOP	1,500 psi
2.	Ram type BOP	3,000 psi
3.	Kill line valves	3,000 psi
4.	Choke line valves and choke manifold valves	3,000 psi
5.	Chokes	3,000 psi
6.	Casing, casinghead & weld	1,500 psi
7.	Upper kelly cock and safety valve	3,000 psi
8.	Dart valve	3,000 psi

6. MUD SYSTEMS

- An air or an air/mist system may be used to drill the surface hole until water influx becomes too great.
- KCL mud system will be used to drill well.
- The mud system will be monitored manually/visually.

<u>Depths</u>	<u>Mud Weight (ppg)</u>	<u>Mud System</u>
0' – 500'	8.4	Air foam mist, no pressure control
500' – 3,950'	8.6	Fresh water, rotating head and diverter
3,950' – 9,300'	8.6	Fresh water/2% KCL/KCL mud system

7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a constant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 80' from the wellhead.

8. AUXILIARY EQUIPMENT TO BE USED

- a. Kelly cock.
- b. Full opening valve with drill pipe connection will be kept on floor. Valve will be used when the kelly is not in string.

9. TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

- A drillstem test in the Wasatch Tongue is possible.
- One electric line wire-log will be run from total depth to intermediate casing.
- The gamma ray will be left on to record from total depth to intermediate casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to intermediate casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

- Expected BHP 1,500–2,000 psi (lower than normal pressure gradient).
- No abnormal temperature or pressures are anticipated.
- The formations to be penetrated do not contain known H₂S gas.

11. WATER SUPPLY

- No water pipelines will be laid for this well.
- No water well will be drilled for this well.
- Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.
- Water will be hauled from: Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

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DRILLING PLAN

APPROVAL OF OPERATIONS

12. CEMENT SYSTEMS

a. Surface Cement:

- Drill 17-1/2" hole to 500' and cement 13-3/8" to surface with 450 sks class "C" cement with 2% CaCl₂ and 1/4 #/sk. Polyflake (volume includes 70% excess). Top out as necessary. Casing to be centralized with a total of 5 centralizers.

b. Intermediate Casing Cement:

- Drill 12-1/4" hole to 3,950'±, run and cement 9-5/8" to surface.
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug one joint off bottom e) bottom three joints thread locked f) pump job with bottom plug only. Casing to be centralized with a total of 15 centralizers.
- Cement to surface not required due to surface casing set deeper than normal.

Type	Sacks	Interval	Density	Yield	Hole Volume	Cement Volume
Lead	473	0'-3,450'	10.5 ppg	4.14 CFS	1,118 CF	1,957 CF
Tail	254	3,450'-3,950'	15.6 ppg	1.2 CFS	174 CF	304 CF

Intermediate design volumes based on 75% excess of gauge hole.

Lead Mix: Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.
Slurry yield: 4.14 cf/sack Slurry weight: 10.5 #/gal.
Water requirement: 26.07 gal/sack
Compressives @ 110°F: 72 psi after 24 hours

Tail Mix: Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 46.5% fresh water.
Slurry yield: 1.20 cf/sack Slurry weight: 15.6 #/gal.
Pump Time: 1 hr. 5 min. @ 110 °F.
Compressives @ 110 °F: 2,500 psi after 24 hours

c. Production Casing Cement:

- Drill 7-7/8" hole to 9,300'±, run and cement 5 1/2".
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H2O spacer.
- Displace with 2% KCL.
- Production casing to be centralized with 30 centralizers.

Type	Sacks	Interval	Density	Yield	Hole Volume	Cement Volume
Lead	90	3,315'-4,115'	11.5 ppg	3.12 CFS	139 CF	277 CF
Tail	1030	4,115'-9,300'	13.0 ppg	1.75 CFS	898 CF	1797 CF

Production design volumes based on 35% excess of gauge hole. Actual volumes will be calculated from caliper log to bring lead cement to 800' above top of Wasatch + 15% excess, and tail cement to top of Wasatch +15%.

Lead Mix: Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.
Slurry yield: 3.12 cf/sack Slurry weight: 11.60 #/gal.
Water requirement: 17.71 gal/sack
Compressives @ 130°F: 157 psi after 24 hours

Tail Mix: Halliburton HLC blend (Prem Plus V/JB flyash). Blend includes Class "G" cement, KCl, EX-1, Halad 322, & HR-5.
Slurry yield: 1.75 cf/sack Slurry weight: 13.00 #/gal.
Water requirement: 9.09 gal/sack
Compressives @ 165°F: 905 psi after 24 hours

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date: June 1, 2007
Duration: 14 Days

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Dominion™

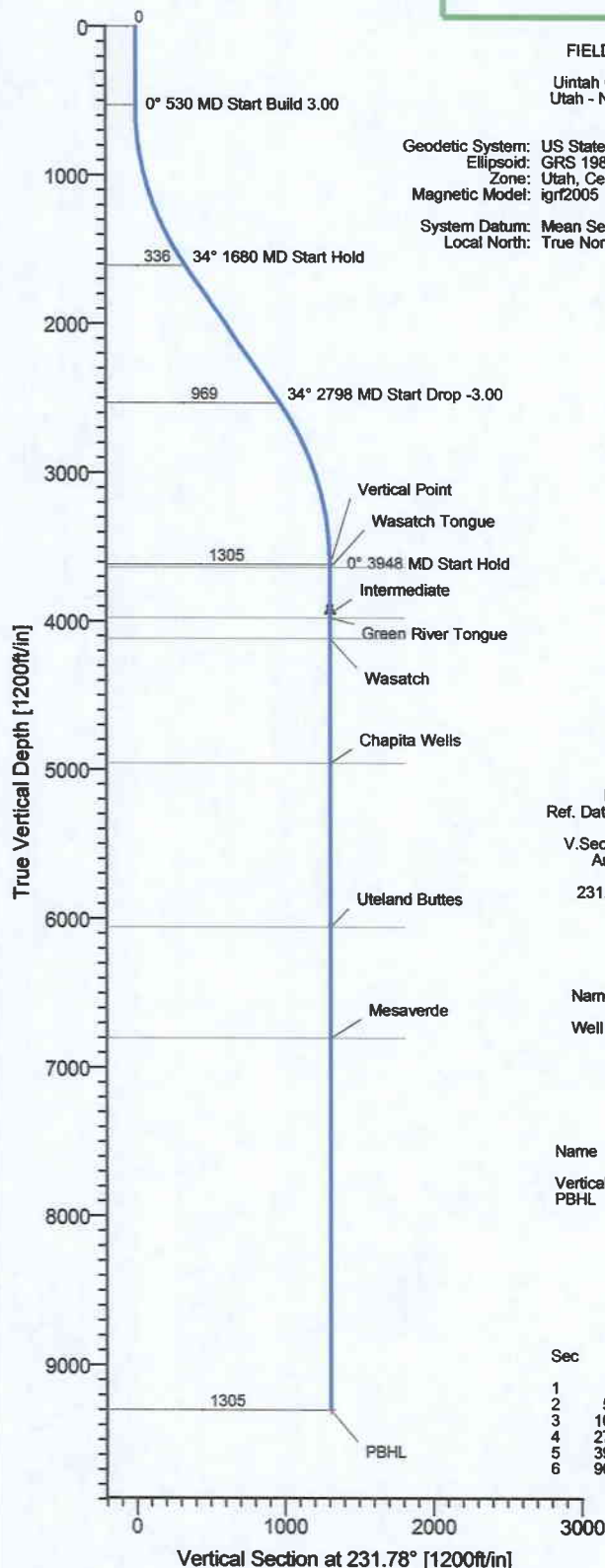
Dominion Exploration & Production

Field: Uintah County, Utah
Site: LCU No. 16-2H
Well: Well #16-2H
Wellpath: Original Hole
Plan: Plan #1



Azimuths to True North
Magnetic North: 11.71°

Magnetic Field
Strength: 52774nT
Dip Angle: 65.87°
Date: 9/26/2006
Model: igr2005

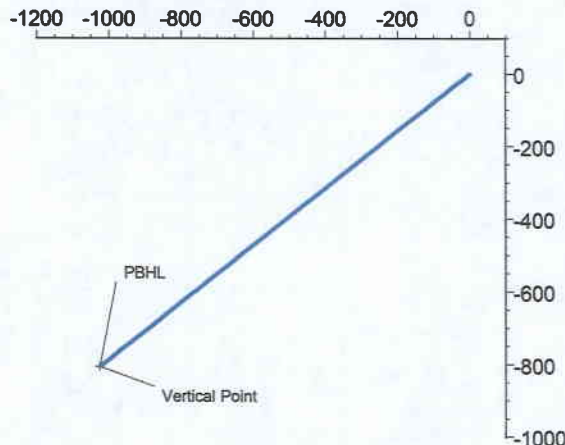


FIELD DETAILS

Uintah County, Utah
Utah - Natural Buttes
USA

Geodetic System: US State Plane Coordinate System 1983
Ellipsoid: GRS 1980
Zone: Utah, Central Zone
Magnetic Model: igr2005
System Datum: Mean Sea Level
Local North: True North

West(-)/East(+) [500ft/in]



WELLPATH DETAILS

Rig: Ref. Datum:	Original Hole		
	SITE	5455.00ft	
V.Section Angle	Origin +N/-S	Origin +E/-W	Starting From TVD
231.78°	0.00	0.00	9300.00

SITE DETAILS

LCU No. 16-2H
Section 1, T11S, R20E, S.L.B. & M.
Uintah County, Utah
Site Centre Latitude: 39°53'10.220N
Longitude: 109°38'09.260W
Ground Level: 5435.00
Positional Uncertainty: 0.00
Convergence: 1.19

WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Well #16-2H	0.00	0.00	7132726.95	2163446.86	39°53'10.220N	109°38'09.260W	N/A

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Shape
Vertical Point	3615.00	-807.28	-1025.16	Point
PBHL	9300.00	-807.28	-1025.16	Point

FORMATION TOP DETAILS

No.	TVDPath	MDPath	Formation
1	3635.00	3968.00	Wasatch Tongue
2	3975.00	4308.00	Green River Tongue
3	4115.00	4448.00	Wasatch
4	4955.00	5288.00	Chapita Wells
5	6055.00	6388.00	Uteland Buttes
6	6805.00	7138.00	Mesaverde

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	231.78	0.00	0.00	0.00	0.00	0.00	0.00	
2	530.00	0.00	231.78	530.00	0.00	0.00	0.00	0.00	0.00	
3	1679.67	34.49	231.78	1611.48	-207.69	-263.74	3.00	231.78	335.70	
4	2798.34	34.49	231.78	2533.53	-599.59	-761.42	0.00	0.00	969.16	
5	3948.00	0.00	231.78	3615.00	-807.28	-1025.16	3.00	180.00	1304.86	Vertical Point
6	9633.00	0.00	231.78	9300.00	-807.28	-1025.16	0.00	231.78	1304.86	PBHL

Ryan Energy Technologies
19510 Oil Center Blvd
Houston, TX 77073
Ph: 281-443-1414
Fx: 281-443-1676



Ryan The leader in
UNADJUDICATED ADJUDICATION™

Plan: Plan #1 (Well #16-2H Original Hole)

Created By: Alexis Gonzalez Date: 9/26/2006
Checked: Date:
Reviewed: Date:
Approved: Date:

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Ryan Energy Technologies

Planning Report



Company: Dominion Exploration & Product
Field: Uintah County, Utah
Site: LCU No. 16-2H
Well: Well #16-2H
Wellpath: Original Hole

Date: 9/26/2006 Time: 14:20:26 Page: 1
Co-ordinate(NE) Reference: Well: Well #16-2H, True North
Vertical (TVD) Reference: SITE 5455.0
Section (VS) Reference: Well (0.00N,0.00E,231.78Azi)
Plan: Plan #1

Field: Uintah County, Utah
Utah - Natural Buttes
USA

Map System: US State Plane Coordinate System 1983
Geo Datum: GRS 1980
Sys Datum: Mean Sea Level

Map Zone: Utah, Central Zone
Coordinate System: Well Centre
Geomagnetic Model: igrf2005

Site: LCU No. 16-2H
Section 1, T11S, R20E, S.L.B. & M.
Uintah County, Utah

Site Position: Northing: 7132726.95 ft Latitude: 39 53 10.220 N
From: Geographic Easting: 2163446.86 ft Longitude: 109 38 9.260 W
Position Uncertainty: 0.00 ft North Reference: True
Ground Level: 5435.00 ft Grid Convergence: 1.19 deg

Well: Well #16-2H

Slot Name:

Well Position: +N/-S 0.00 ft Northing: 7132726.95 ft Latitude: 39 53 10.220 N
+E/-W 0.00 ft Easting: 2163446.86 ft Longitude: 109 38 9.260 W
Position Uncertainty: 0.00 ft

Wellpath: Original Hole

Drilled From: Surface
Tie-on Depth: 0.00 ft
Above System Datum: Mean Sea Level
Declination: 11.71 deg
Mag Dip Angle: 65.87 deg
+E/-W Direction
ft deg

Current Datum: SITE Height 5455.00 ft
Magnetic Data: 9/26/2006
Field Strength: 52774 nT
Vertical Section: Depth From (TVD) +N/-S
ft ft

9300.00 0.00 0.00 231.78

Plan: Plan #1

Date Composed: 7/31/2006
Version: 1
Tied-to: From Surface

Principal: Yes

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	231.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
530.00	0.00	231.78	530.00	0.00	0.00	0.00	0.00	0.00	0.00	
1679.67	34.49	231.78	1611.48	-207.69	-263.74	3.00	3.00	0.00	231.78	
2798.34	34.49	231.78	2533.53	-599.59	-761.42	0.00	0.00	0.00	0.00	
3948.00	0.00	231.78	3615.00	-807.28	-1025.16	3.00	-3.00	0.00	180.00	Vertical Point
9633.00	0.00	231.78	9300.00	-807.28	-1025.16	0.00	0.00	0.00	231.78	PBHL

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
530.00	0.00	231.78	530.00	0.00	0.00	0.00	0.00	0.00	0.00	
600.00	2.10	231.78	599.98	-0.79	-1.01	1.28	3.00	3.00	0.00	
700.00	5.10	231.78	699.78	-4.68	-5.94	7.56	3.00	3.00	0.00	
800.00	8.10	231.78	799.10	-11.79	-14.97	19.05	3.00	3.00	0.00	
900.00	11.10	231.78	897.69	-22.10	-28.07	35.73	3.00	3.00	0.00	
1000.00	14.10	231.78	995.27	-35.60	-45.21	57.54	3.00	3.00	0.00	
1100.00	17.10	231.78	1091.58	-52.23	-66.33	84.43	3.00	3.00	0.00	
1200.00	20.10	231.78	1186.34	-71.96	-91.39	116.32	3.00	3.00	0.00	
1300.00	23.10	231.78	1279.31	-94.74	-120.30	153.13	3.00	3.00	0.00	
1400.00	26.10	231.78	1370.22	-120.49	-153.01	194.75	3.00	3.00	0.00	
1500.00	29.10	231.78	1458.83	-149.15	-189.40	241.07	3.00	3.00	0.00	
1600.00	32.10	231.78	1544.90	-180.64	-229.39	291.97	3.00	3.00	0.00	
1679.67	34.49	231.78	1611.48	-207.69	-263.74	335.70	3.00	3.00	0.00	
1700.00	34.49	231.78	1628.24	-214.81	-272.79	347.22	0.00	0.00	0.00	
1800.00	34.49	231.78	1710.67	-249.85	-317.28	403.84	0.00	0.00	0.00	

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Ryan Energy Technologies

Planning Report



Company: Dominion Exploration & Product
Field: Uintah County, Utah
Site: LCU No. 16-2H
Well: Well #16-2H
Wellpath: Original Hole

Date: 9/26/2006 Time: 14:20:26 Page: 2
Co-ordinate(NE) Reference: Well: Well #16-2H, True North
Vertical (TVD) Reference: SITE 5455.0
Section (VS) Reference: Well (0.00N,0.00E,231.78Azi)
Plan: Plan #1

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
1900.00	34.49	231.78	1793.09	-284.88	-361.77	460.47	0.00	0.00	0.00	
2000.00	34.49	231.78	1875.51	-319.91	-406.25	517.09	0.00	0.00	0.00	
2100.00	34.49	231.78	1957.93	-354.94	-450.74	573.72	0.00	0.00	0.00	
2200.00	34.49	231.78	2040.36	-389.98	-495.23	630.34	0.00	0.00	0.00	
2300.00	34.49	231.78	2122.78	-425.01	-539.72	686.97	0.00	0.00	0.00	
2400.00	34.49	231.78	2205.20	-460.04	-584.20	743.60	0.00	0.00	0.00	
2500.00	34.49	231.78	2287.63	-495.07	-628.69	800.22	0.00	0.00	0.00	
2600.00	34.49	231.78	2370.05	-530.11	-673.18	856.85	0.00	0.00	0.00	
2700.00	34.49	231.78	2452.47	-565.14	-717.67	913.47	0.00	0.00	0.00	
2798.34	34.49	231.78	2533.53	-599.59	-761.42	969.16	0.00	0.00	0.00	
2800.00	34.44	231.78	2534.89	-600.17	-762.16	970.10	3.00	-3.00	0.00	
2900.00	31.44	231.78	2618.81	-633.81	-804.87	1024.47	3.00	-3.00	0.00	
3000.00	28.44	231.78	2705.45	-664.68	-844.08	1074.37	3.00	-3.00	0.00	
3100.00	25.44	231.78	2794.59	-692.71	-879.67	1119.67	3.00	-3.00	0.00	
3200.00	22.44	231.78	2885.98	-717.81	-911.54	1160.24	3.00	-3.00	0.00	
3300.00	19.44	231.78	2979.36	-739.92	-939.62	1195.98	3.00	-3.00	0.00	
3400.00	16.44	231.78	3074.49	-758.97	-963.82	1226.78	3.00	-3.00	0.00	
3500.00	13.44	231.78	3171.10	-774.92	-984.07	1252.55	3.00	-3.00	0.00	
3600.00	10.44	231.78	3268.93	-787.72	-1000.32	1273.24	3.00	-3.00	0.00	
3700.00	7.44	231.78	3367.70	-797.33	-1012.53	1288.78	3.00	-3.00	0.00	
3800.00	4.44	231.78	3467.15	-803.73	-1020.66	1299.13	3.00	-3.00	0.00	
3900.00	1.44	231.78	3567.01	-806.91	-1024.69	1304.25	3.00	-3.00	0.00	
3948.00	0.00	231.78	3615.00	-807.28	-1025.16	1304.86	3.00	-3.00	0.00	Vertical Point
3968.00	0.00	231.78	3635.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Wasatch Tongue
4000.00	0.00	231.78	3667.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4100.00	0.00	231.78	3767.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4200.00	0.00	231.78	3867.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4283.00	0.00	231.78	3950.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Intermediate
4300.00	0.00	231.78	3967.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4308.00	0.00	231.78	3975.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Green River Tongue
4400.00	0.00	231.78	4067.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4448.00	0.00	231.78	4115.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Wasatch
4500.00	0.00	231.78	4167.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4600.00	0.00	231.78	4267.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4700.00	0.00	231.78	4367.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4800.00	0.00	231.78	4467.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
4900.00	0.00	231.78	4567.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5000.00	0.00	231.78	4667.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5100.00	0.00	231.78	4767.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5200.00	0.00	231.78	4867.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5288.00	0.00	231.78	4955.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Chapita Wells
5300.00	0.00	231.78	4967.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5400.00	0.00	231.78	5067.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5500.00	0.00	231.78	5167.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5600.00	0.00	231.78	5267.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5700.00	0.00	231.78	5367.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5800.00	0.00	231.78	5467.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
5900.00	0.00	231.78	5567.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6000.00	0.00	231.78	5667.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6100.00	0.00	231.78	5767.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6200.00	0.00	231.78	5867.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6300.00	0.00	231.78	5967.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6388.00	0.00	231.78	6055.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Uteland Buttes
6400.00	0.00	231.78	6067.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	

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Ryan Energy Technologies

Planning Report



Company: Dominion Exploration & Product
Field: Uintah County, Utah
Site: LCU No. 16-2H
Well: Well #16-2H
Wellpath: Original Hole

Date: 9/26/2006 Time: 14:20:26 Page: 3
Co-ordinate(NE) Reference: Well: Well #16-2H, True North
Vertical (TVD) Reference: SITE 5455.0
Section (VS) Reference: Well (0.00N,0.00E,231.78Azi)
Plan: Plan #1

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
6500.00	0.00	231.78	6167.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6600.00	0.00	231.78	6267.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6700.00	0.00	231.78	6367.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6800.00	0.00	231.78	6467.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
6900.00	0.00	231.78	6567.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7000.00	0.00	231.78	6667.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7100.00	0.00	231.78	6767.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7138.00	0.00	231.78	6805.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	Mesaverde
7200.00	0.00	231.78	6867.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7300.00	0.00	231.78	6967.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7400.00	0.00	231.78	7067.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7500.00	0.00	231.78	7167.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7600.00	0.00	231.78	7267.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7700.00	0.00	231.78	7367.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7800.00	0.00	231.78	7467.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
7900.00	0.00	231.78	7567.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8000.00	0.00	231.78	7667.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8100.00	0.00	231.78	7767.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8200.00	0.00	231.78	7867.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8300.00	0.00	231.78	7967.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8400.00	0.00	231.78	8067.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8500.00	0.00	231.78	8167.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8600.00	0.00	231.78	8267.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8700.00	0.00	231.78	8367.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8800.00	0.00	231.78	8467.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
8900.00	0.00	231.78	8567.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9000.00	0.00	231.78	8667.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9100.00	0.00	231.78	8767.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9200.00	0.00	231.78	8867.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9300.00	0.00	231.78	8967.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9400.00	0.00	231.78	9067.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9500.00	0.00	231.78	9167.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9600.00	0.00	231.78	9267.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	
9633.00	0.00	231.78	9300.00	-807.28	-1025.16	1304.86	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip.	Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	← Latitude → Deg Min Sec	← Longitude → Deg Min Sec
Vertical Point			3615.00	-807.28	-1025.16	7131898.48	2162438.74	39 53 2.241 N	109 38 22.412 W
-Plan hit target									
PBHL			9300.00	-807.28	-1025.16	7131898.48	2162438.74	39 53 2.241 N	109 38 22.412 W
-Plan hit target									

Casing Points

MD ft	TVD ft	Diameter in	Hole Size in	Name
4283.00	3950.00	9.625	12.250	Intermediate

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Ryan Energy Technologies

Planning Report



Company: Dominion Exploration & Product
Field: Uintah County, Utah
Site: LCU No. 16-2H
Well: Well #16-2H
Wellpath: Original Hole

Date: 9/26/2006 **Time:** 14:20:26 **Page:** 4
Co-ordinate(NE) Reference: Well: Well #16-2H, True North
Vertical (TVD) Reference: SITE 5455.0
Section (VS) Reference: Well (0.00N,0.00E,231.78Azi)
Plan: Plan #1

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
3968.00	3635.00	Wasatch Tongue		0.00	0.00
4308.00	3975.00	Green River Tongue		0.00	0.00
4448.00	4115.00	Wasatch		0.00	0.00
5288.00	4955.00	Chapita Wells		0.00	0.00
6388.00	6055.00	Uteland Buttes		0.00	0.00
7138.00	6805.00	Mesaverde		0.00	0.00

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SURFACE USE PLAN

CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator: Dominion Exploration & Production
Address: 14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134
Well Location: LCU 16-2H
SHL: 1469' FSL & 357' FWL Section 1-11S-20E
BHL: 660' FSL & 660' FEL Section 2-11S-20E
Uintah County, UT

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

Federal surface use is necessary prior to any construction activity associates with this well.

A state onsite inspection is pending at this time.

1. Existing Roads:

- a. The proposed well site is located approximately 14.14 miles south of Ouray, UT.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the Little Canyon Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
- g. An off-lease federal, tribal or fee Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing Little Canyon Unit boundary.

2. Planned Access Roads:

- a. From the existing LCU 12-1H well pad an access is proposed trending west approximately 340' to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 24' travel surface within a 30' disturbed area.
- c. Federal approval to construct and utilize the proposed access road is being requested with a supplemental sundry notice application.
- d. A maximum grade of 10% will be maintained throughout the project with no cuts and fills required to access the well.
- e. No turnouts are proposed.
- f. No culverts and no low water crossings are anticipated. Adequate drainage structures will be incorporated into the road.
- g. No surfacing material will come from SITLA, Federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- i. Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

- a. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Calsbad Canyon / Desert Tan to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this location; it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and

valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.

- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will leave the northeast side of the well site and traverse 424' northeast then south to the existing LCU 12-1H pipeline corridor.
- i. The new gas pipeline will be a 10" or less steel surface line within a 20' wide utility corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline construction. A new pipeline length of approximately 424' is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from SITLA, Federal or Tribal lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the southeast side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 16 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
- k. Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.
- l. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:
- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
9. Well Site Layout: (See Exhibit B)
- a. The well will be properly identified in accordance with 43 CFR 3162.6.
 - b. Access to the well pad will be from the northeast.
 - c. The pad and road designs are consistent with BLM specification
 - d. A pre-construction meeting with responsible company representative, contractors, BLM and the SITLA will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
 - e. The pad has been staked at its maximum size of 355' X 200'; however, it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
 - f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
 - g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
 - h. Diversion ditches will be constructed as shown around the well site to prevent surface waters from entering the well site area.
 - i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
 - j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
 - k. Pits will remain fenced until site cleanup.
 - l. The blooie line will be located at least 100 feet from the well head.
 - m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.
10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):
- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
 - b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.

- c. Following BLM published Best Management Practices the interim reclamation will be completed within 90 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - a. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
 - b. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded at 12 lbs /acre with the following native grass seeds:
 - 1. Crested Wheat Grass (4 lbs / acre)
 - 2. Needle and Thread Grass (4 lbs / acre)
 - 3. Rice Grass (4 lbs / acre)
 - c. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- e. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.
- b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

- a. AIA Archaeological will conduct a Class III archeological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Additional information:
 - a. No drainage crossings that require additional State or Federal approval are being crossed.
 - b. No raptor habitat is known to exist within 1 mile of the proposed wellsite.
 - c. **The wellsite has been moved to this location because a state location could not be found that avoided cultural resources.**

13. Operator's Representative and Certification

<u>Title</u>	<u>Name</u>	<u>Office Phone</u>
Company Representative (Roosevelt)	Ken Secrest	1-435-722-4521
Company Representative (Oklahoma)	Carla Christian	1-405-749-5263
Agent for Dominion	Don Hamilton	1-435-719-2018

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Dominion Exploration & Production, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Dominion's State and BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 9-29-06

ORIGINAL

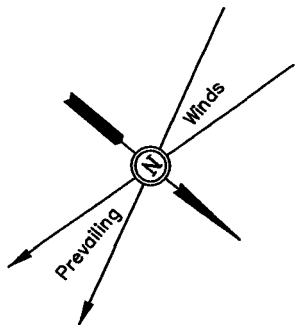
DOMINION EXPLR. & PROD., INC.

LOCATION LAYOUT FOR

LCU #16-2H

SECTION 1, T11S, R20E, S.L.B.&M.

1469' FSL 357' FWL



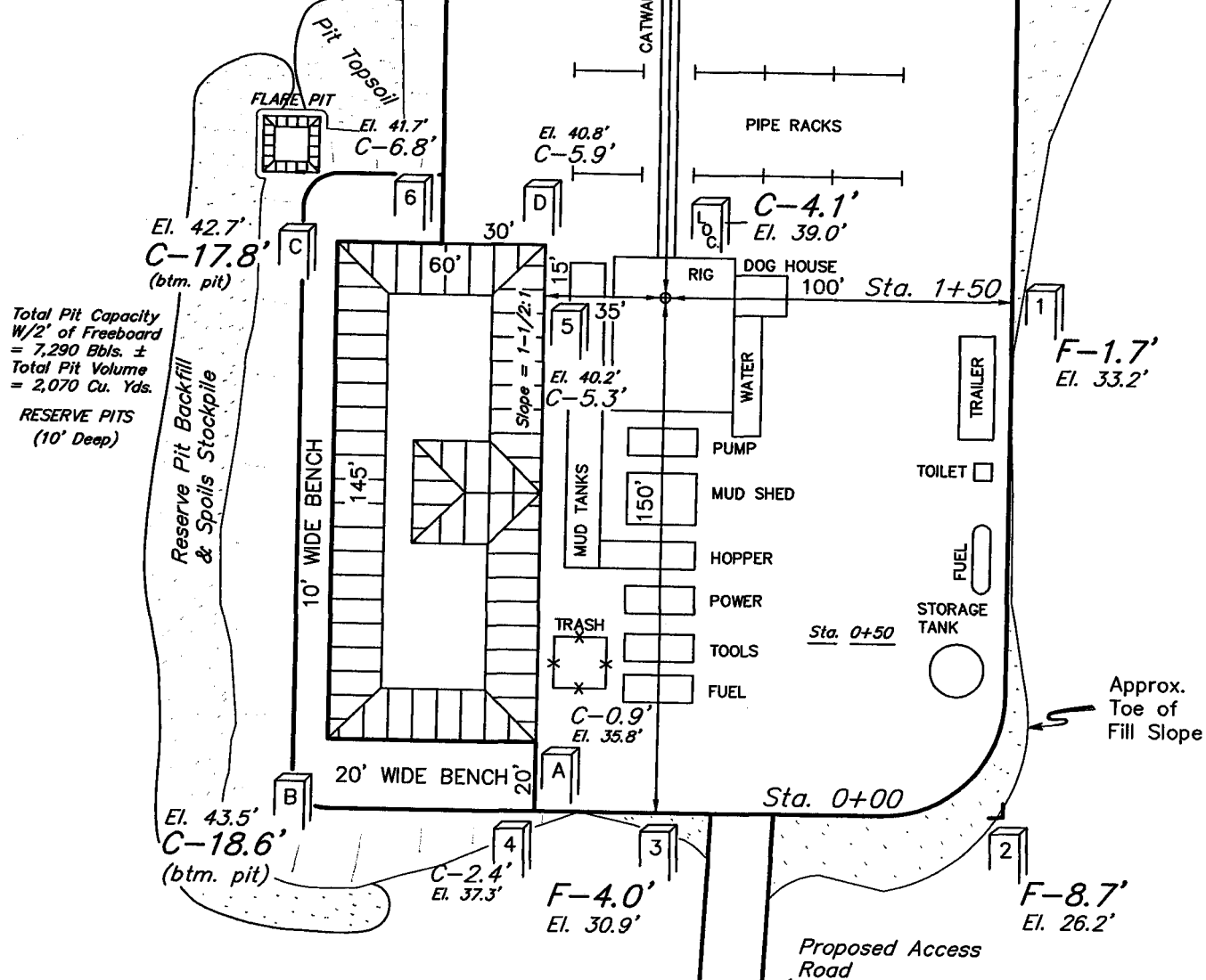
SCALE: 1" = 50'

DATE: 08-21-06

Drawn By: C.H.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



Total Pit Capacity
W/2' of Freeboard
= 7,290 Bbls. ±
Total Pit Volume
= 2,070 Cu. Yds.

RESERVE PITS
(10' Deep)

Elev. Ungraded Ground at Location Stake = 5439.0'

Elev. Graded Ground at Location Stake = 5434.9'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

DOMINION EXPLR. & PROD., INC.

TYPICAL CROSS SECTIONS FOR

LCU #16-2H

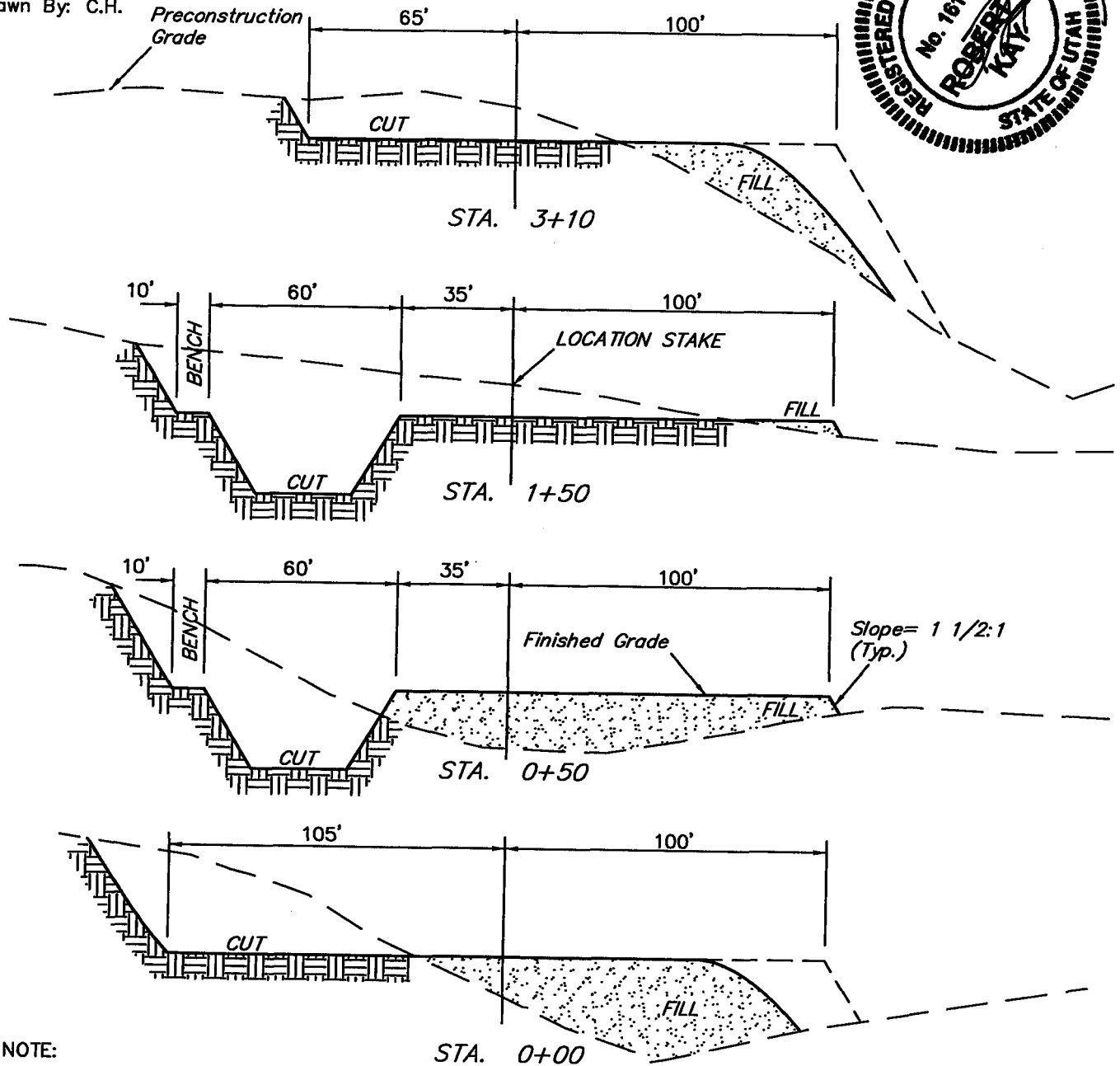
SECTION 1, T11S, R20E, S.L.B.&M.

1469' FSL 357' FWL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 08-21-06

Drawn By: C.H.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,400 Cu. Yds.
Remaining Location	= 7,560 Cu. Yds.
TOTAL CUT	= 8,960 CU.YDS.
FILL	= 6,520 CU.YDS.

EXCESS MATERIAL	= 2,440 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,440 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

DOMINION EXPLR. & PROD., INC.

LCU #16-2H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 1, T11S, R20E, S.L.B.&M.

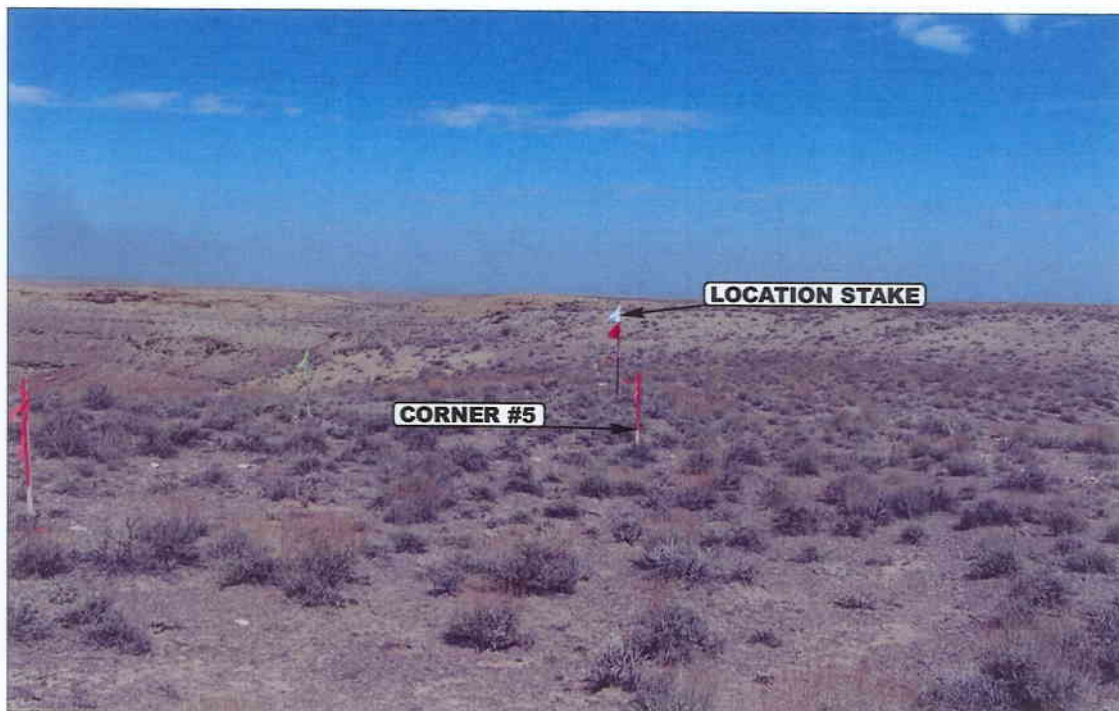


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

U
E
L
S

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

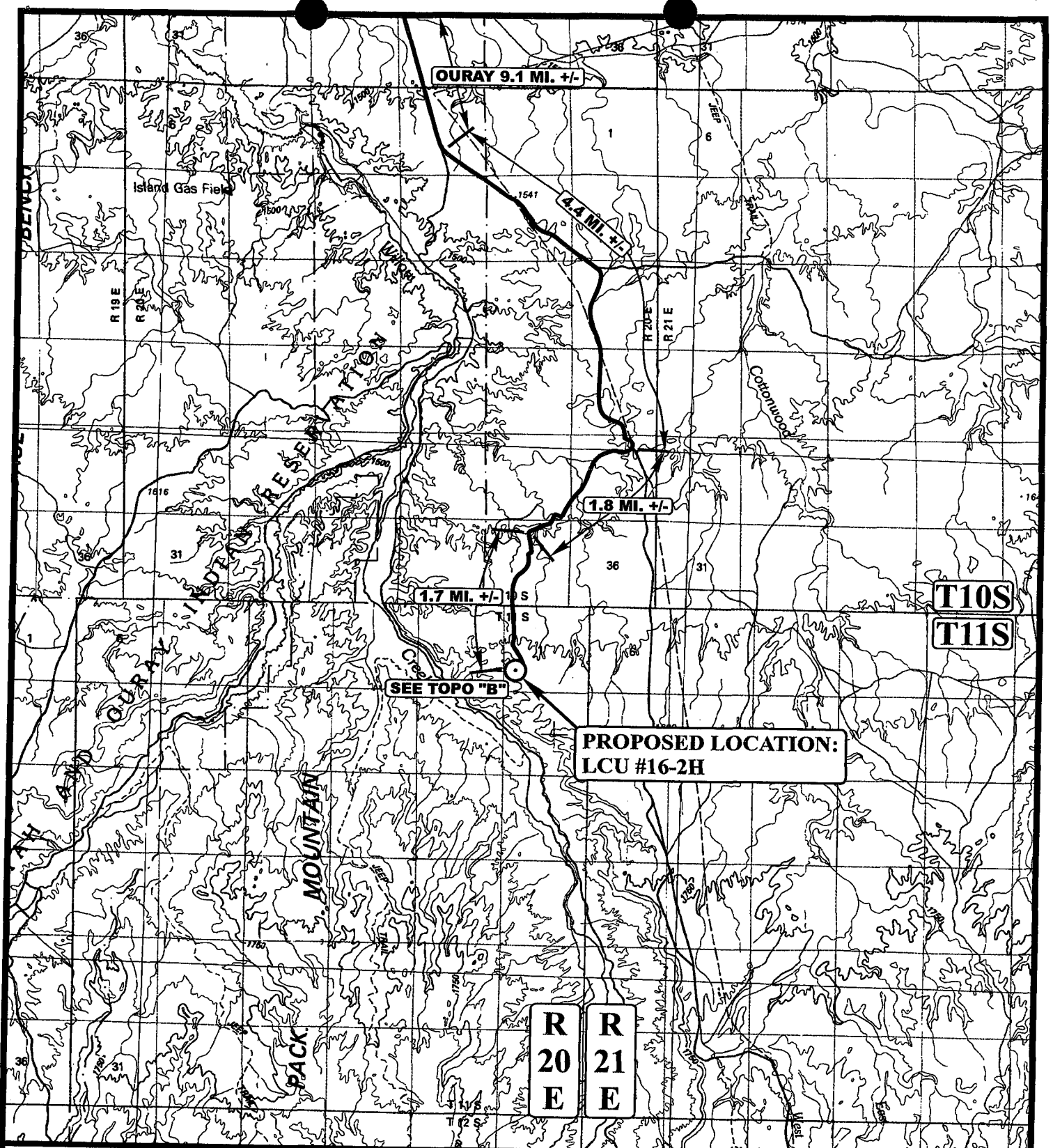
05 15 06
MONTH DAY YEAR

PHOTO

TAKEN BY: B.B.

DRAWN BY: C.P.

REVISED: 08-22-06



LEGEND:

⊙ PROPOSED LOCATION



DOMINION EXPLR. & PROD., INC.

LCU #16-2H

SECTION 1, T11S, R20E, S.L.B.&M.

1469' FSL 357' FWL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

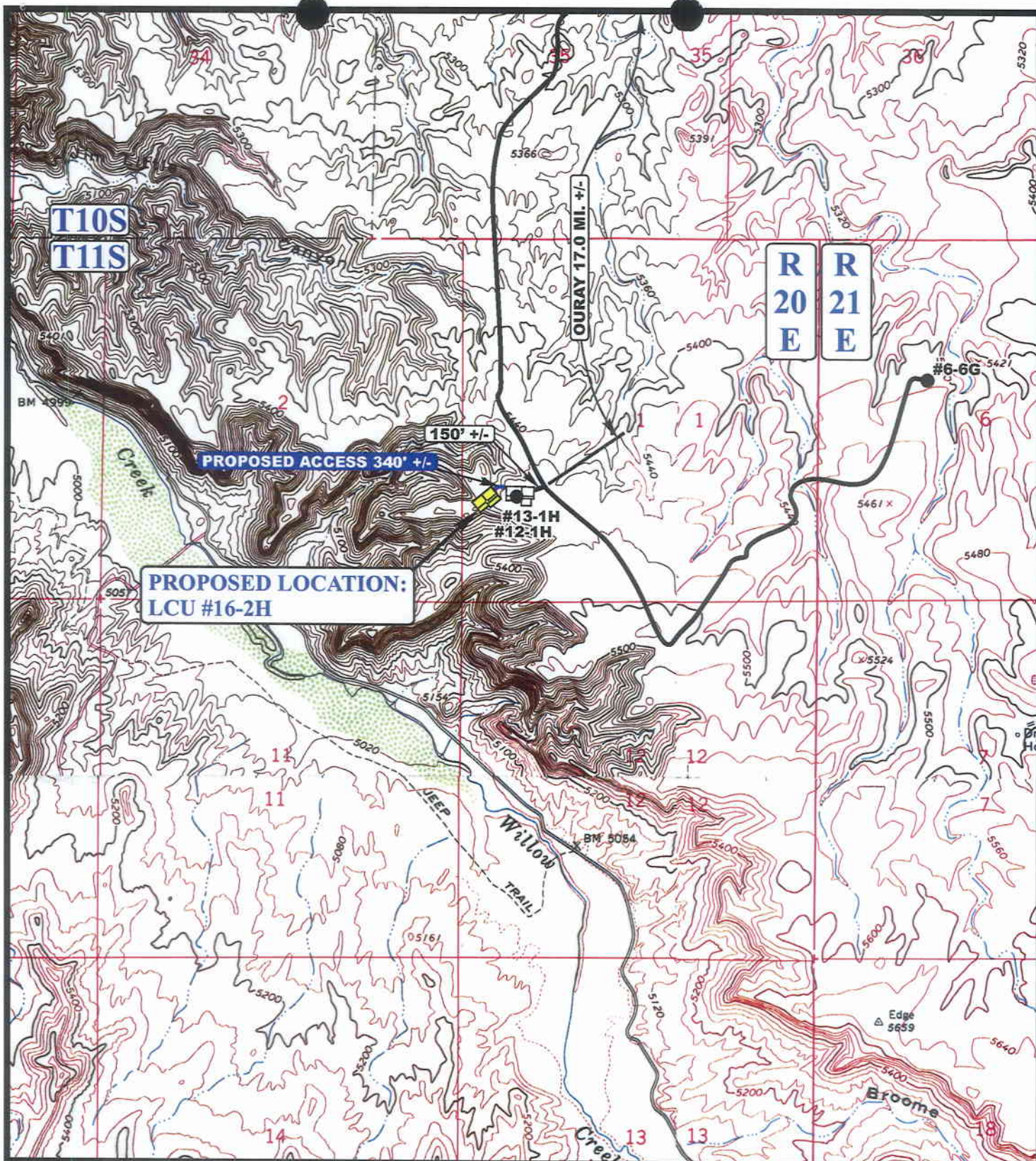
05 15 06
MONTH DAY YEAR

SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 08-22-06





LEGEND:

 EXISTING ROAD
 PROPOSED ACCESS ROAD



DOMINION EXPLR. & PROD., INC.

LCU #16-2H
 SECTION 1, T11S, R20E, S.L.B.&M.
 1469' FSL 357' FWL



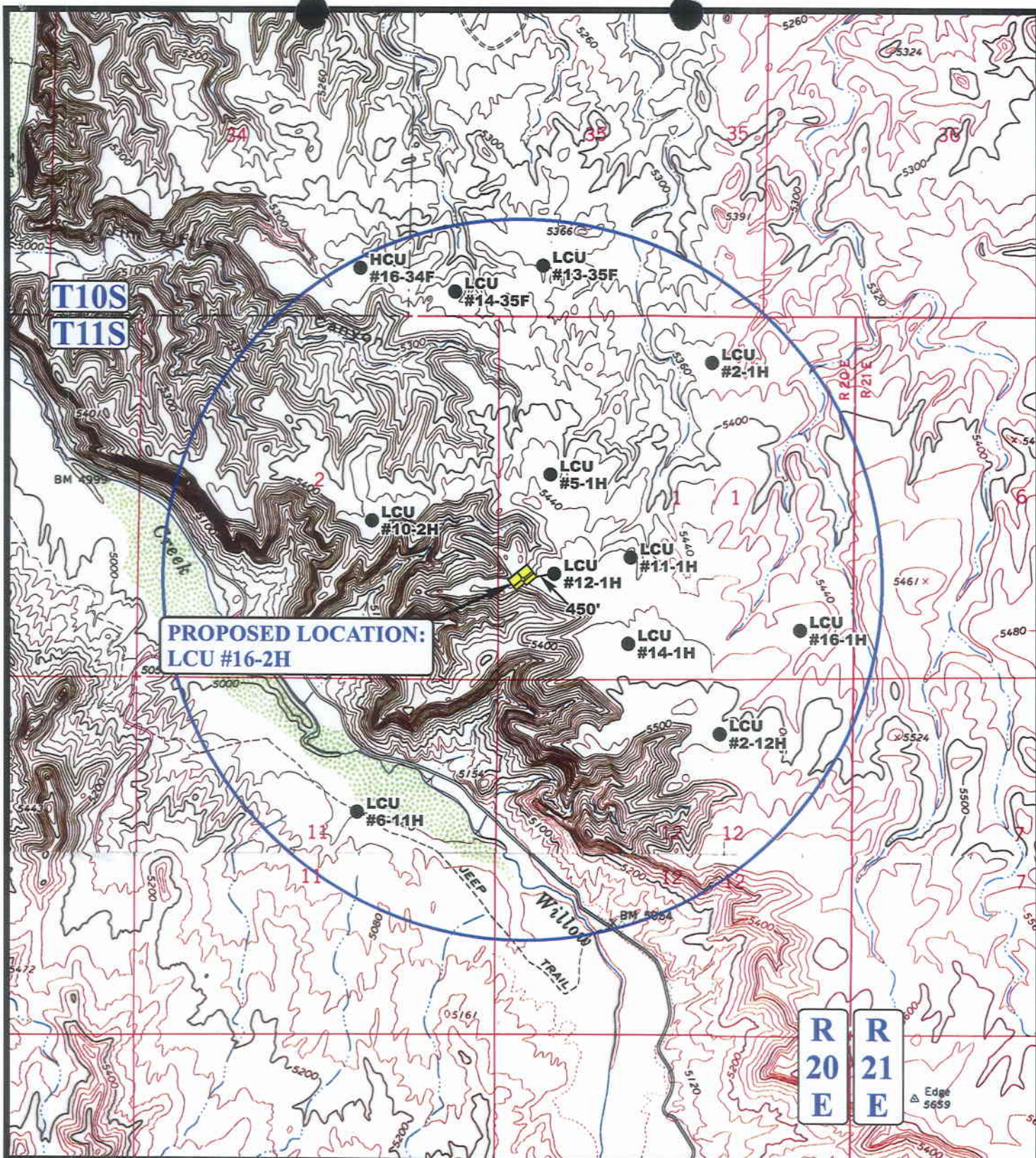
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

05 **15** **06**
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 08-22-06

B
 TOPO



LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ● WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |



DOMINION EXPLR. & PROD., INC.

LCU #16-2H
SECTION 1, T11S, R20E, S.L.B.&M.
1469' FSL 357' FWL



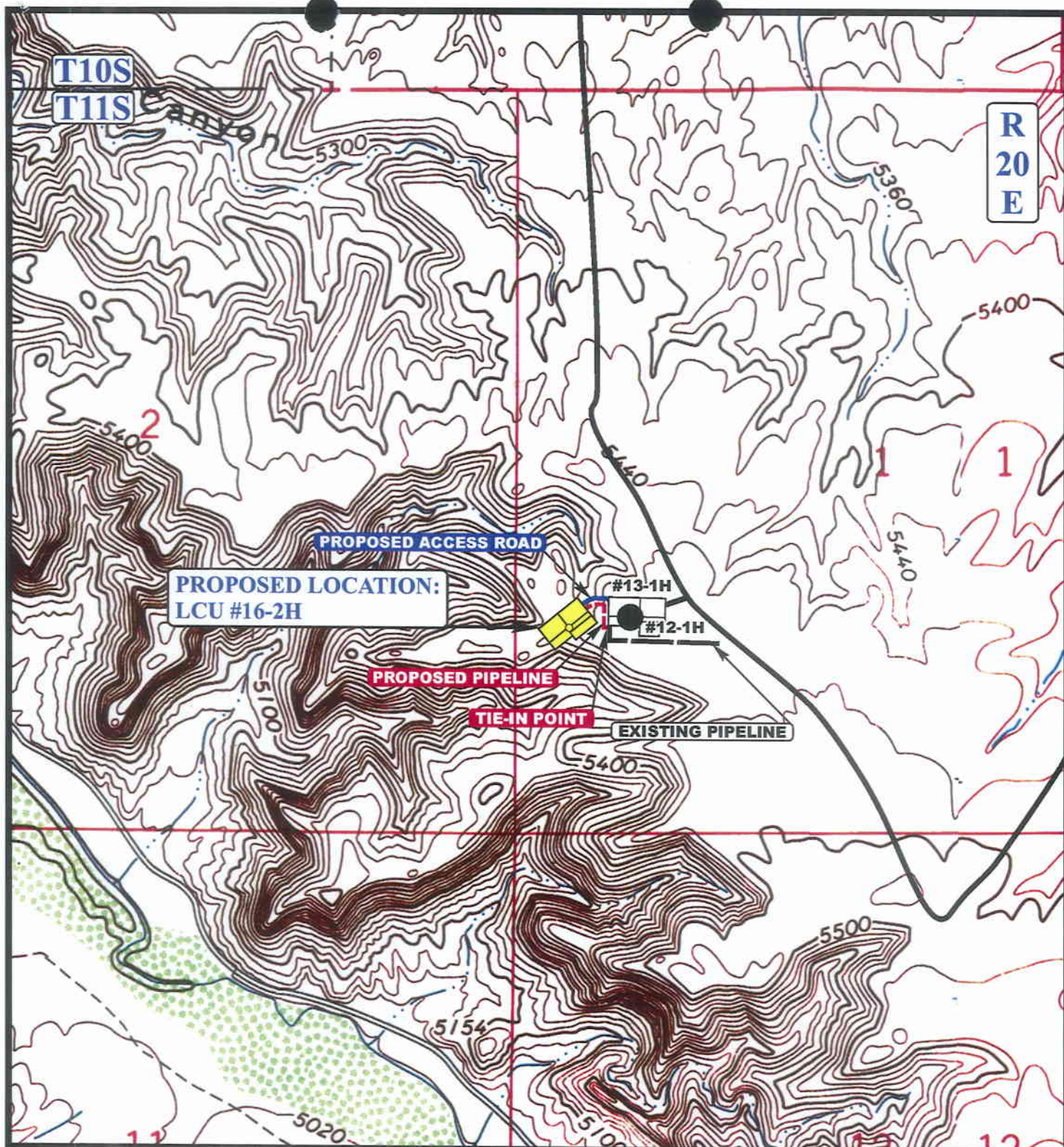
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

05 15 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 08-22-06





APPROXIMATE TOTAL PIPELINE DISTANCE = 424' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



DOMINION EXPLR. & PROD., INC.

LCU #16-2H
SECTION 1, T11S, R20E, S.L.B.&M.
1469' FSL 357' FWL



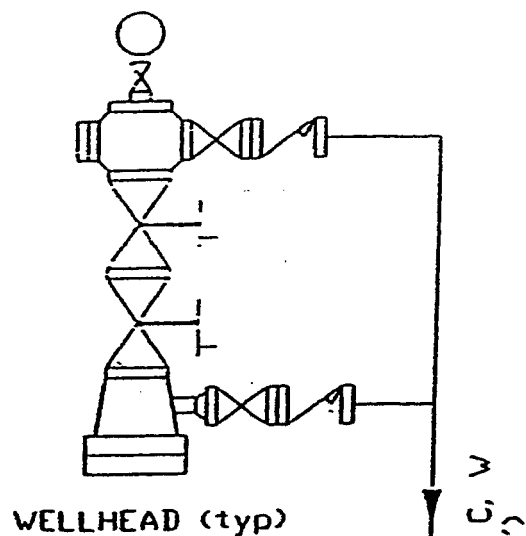
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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TOPOGRAPHIC
MAP

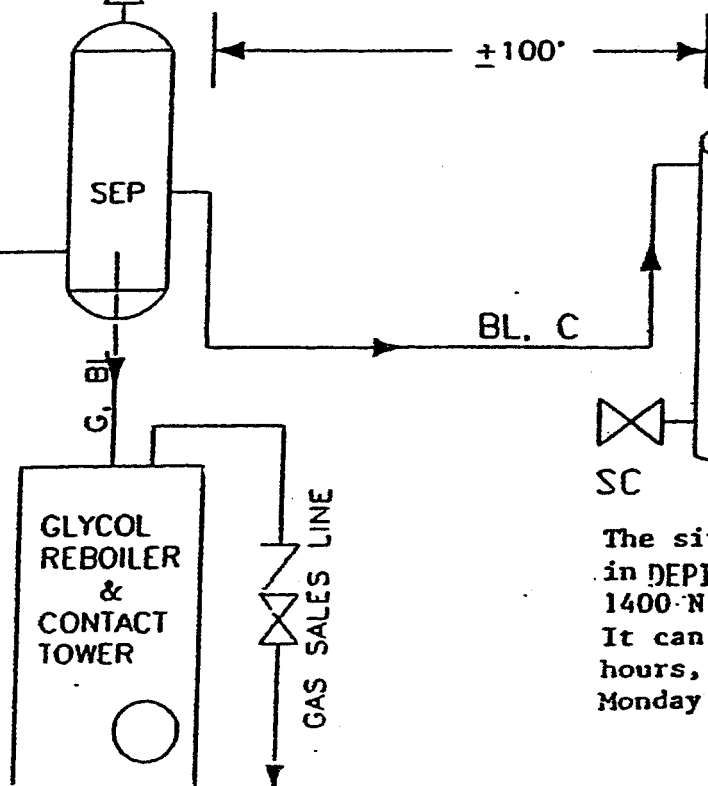
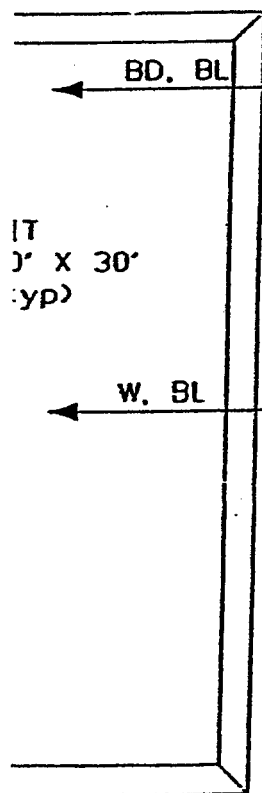
05 15 06
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 08-22-06

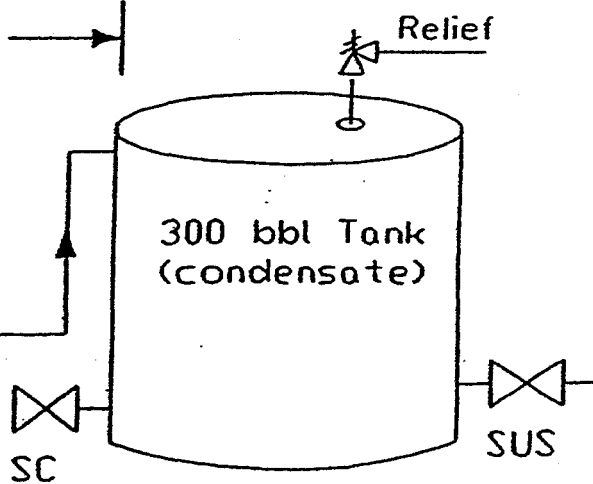
D
TOPO



BL, G, C, V
(± 100')



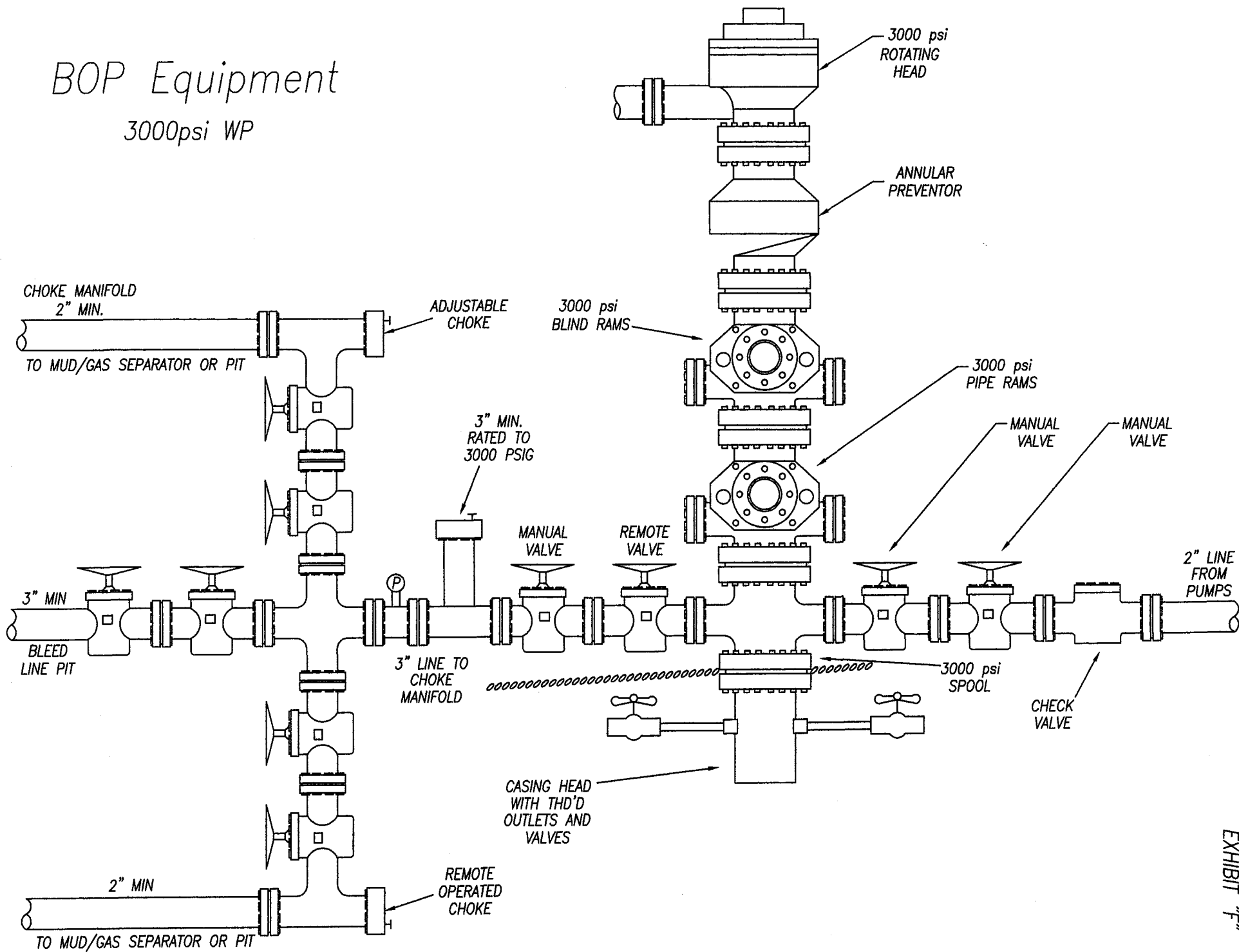
LEGEND	
D	= Oil Line
G	= Gas Line
W	= Water Line
R	= Relief Line (Pressure)
C	= Condensate Line
V	= Vent Line
D	= Drain Line
M	= Gas Meter
P	= Pump
BP	= Back Pressure Valve
SWS	= Sealed When Shipping
SUS	= Sealed Unless Shipping
T	= Heat Traced Line
H	= Heater
BL	= Buried Line
⋈	= Valve
↗	= Check Valve
SC	= Sealed Closed Valve
NC	= Normally Closed
BD	= Blowdown Line



The site security plan is on file in DEPJ's district office located at 1400 N. State St., Roosevelt, Utah. It can be inspected during office hours, from 6:30 AM thru 3:30 PM, Monday thru Friday..

BOP Equipment

3000psi WP



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/05/2006

API NO. ASSIGNED: 43-047-38675

WELL NAME: LCU 16-2H

OPERATOR: DOMINION EXPL & PROD (N1095)

PHONE NUMBER: 405-749-5263

CONTACT: DON HAMILTON

PROPOSED LOCATION:

NSW 01 110S 200E

SURFACE: 1469 FSL 0357 FWL

BOTTOM: 0660 FSL 0660 FEL

COUNTY: Uintah

LATITUDE: 39.88623 LONGITUDE: -109.6352

UTM SURF EASTINGS: 616700 NORTHINGS: 4415812

FIELD NAME: HILL CREEK (617)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DND	12/21/06
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ML-48771

SURFACE OWNER: 3 - ~~State~~ Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 76S63050600)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-10447)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: LITTLE CANYON

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 254-01

Eff Date: 8-18-2006

Siting: ~~Suspend General~~ Siting R649-3-4

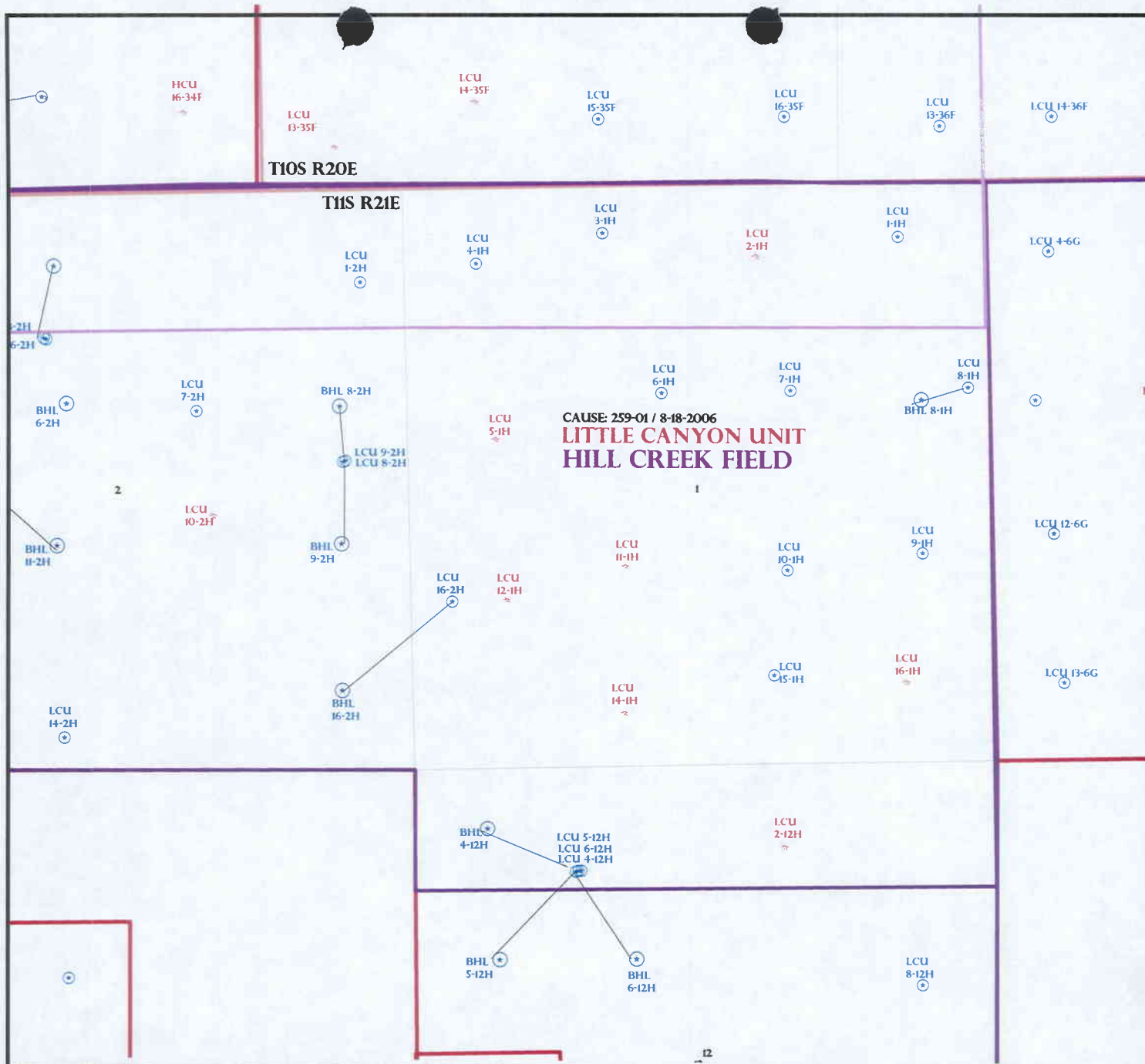
___ R649-3-11. Directional Drill

COMMENTS:

PRE SITE (11-29-06)

STIPULATIONS:

1- Federal Approval
2- STATEMENT OF BASIS
3- Surf. Csg Cont Step



OPERATOR: DOMINION EXPL & PROD (N1095)

SEC: 1 T.11S R. 20E

FIELD: HILL CREEK (617)

COUNTY: UINTAH

CAUSE: 259-01 / 8-18-2006

Field Status

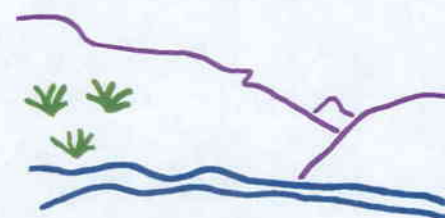
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 10-OCTOBER-2006

Application for Permit to Drill

Statement of Basis

12/7/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
123	43-047-38675-00-00		GW	S	No
Operator	DOMINION EXPL & PROD INC		Surface Owner-APD		
Well Name	LCU 16-2H		Unit		
Field	UNDESIGNATED		Type of Work		
Location	NWSW 1 11S 20E S 0 FL 0 FL GPS Coord (UTM) 616700E 4415812N				

Geologic Statement of Basis

Dominion proposes to set 500 feet of surface casing and 3,950 feet of intermediate casing both cemented to the surface. The base of the moderately saline water is estimated at 4,400 feet. A search of Division of Water Rights records shows 2 water wells within a 10,000 foot radius of the proposed location. These wells are over a mile from the proposed location. Use is listed as stock/wildlife watering. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed casing should adequately protect any near surface aquifers. The production string cement should be brought up above the base of the moderately saline water to prevent it from mixing with fresher waters up hole.

Brad Hill
APD Evaluator

12/6/2006
Date / Time

Surface Statement of Basis

The general area is located approximately 14 miles southwest of Ouray, Utah and is known as Little Canyon area. Drainages are into Willow Creek approximately $\frac{3}{4}$ mile to the west. Willow Creek drains northerly approximately 10 miles into the Green River. All sub-drainages in the area are dry or ephemeral. The area consists of several large open flats with somewhat frequent, steep side-draws. The Uintah and Ouray Indian Reservation is to the west.

The pad will be located on BLM surface and drilled directionally to the west to Section 2 which is SITLA minerals. It is planned near the end of a finger ridge which slopes abruptly on the south and west. A draw beginning on the east also becomes very steep north of the location. Because of the rough topography in the area, no suitable location exist to drill from SITLA surface. Approximately 150 feet of new road will be constructed from an existing well location, the LCU12-1H.

The ridge has a poor native desert shrub-grass vegetation. Surface run-off is light.

Floyd Bartlett
Onsite Evaluator

11/29/2006
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator DOMINION EXPL & PROD INC
Well Name LCU 16-2H
API Number 43-047-38675-0 **APD No** 123 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWSW **Sec** 1 **Tw** 11S **Rng** 20E 0 FL 0 FL
GPS Coord (UTM) 616696 4415807 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Don Hamilton (Buys and Associates-Consultant), Ken Secrist (Dominion), Ben Williams (UDWR), Brandon Bowthorpe (U.E.L.S.), Bill McClure (LaRose Construction), Karl Wright (BLM)

Regional/Local Setting & Topography

The general area is located approximately 14 miles southwest of Ouray, Utah and is known as Little Canyon area. Drainages are into Willow Creek approximately ¾ mile to the west. Willow Creek drains northerly approximately 10 miles into the Green River. All sub-drainages in the area are dry or ephemeral. The area consists of several large open flats with somewhat frequent, steep side-draws. The Uintah and Ouray Indian Reservation is to the west.

The pad will be located on BLM surface drilling directionally to the west to Section 2 which is SITLA minerals. It is planned near the end of a finger ridge which slopes abruptly on the south and west. A draw beginning on the east also becomes very steep north of the location. Because of the rough topography in the area, no suitable location exist to drill from SITLA surface. Approximately 150 feet of new road will be constructed from an existing well location, the LCU12-1H.

The ridge has a poor native desert shrub-grass vegetation. Surface run-off is light.

Surface Use Plan

Current Surface Use

Wildlife Habitat

Grazing

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.01	Width 195 Length 310	Onsite	UNTA

Ancillary Facilities

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Black sage

Deer, antelope, rabbits, coyote small mammals and birds.

Soil Type and Characteristics

Shallow rocky loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run?

Paleo Potential Observed?

Cultural Survey Run? Y

Cultural Resources?

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	300 to 1320	10
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	<10	0
Affected Populations	<10	0
Presence Nearby Utility Conduits	Not Present	0

Final Score 25 1 **Sensitivity Level**

Characteristics / Requirements

60' x 145' x 10' deep located in an area of cut on the south east corner of the location. Sensitivity level 1. A liner with subfelt is required.

Closed Loop Mud Required? N

Liner Required? Y

Liner Thickness 16

Pit Underlayment Required? Y

Other Observations / Comments

Ed Bonner of SITLA was invited to the presite investigation. He telephoned early in the morning and said bad weather prevented him from attending.

Floyd Bartlett

Evaluator

11/29/2006

Date / Time

2006-12 Dominion LCU 16-2H

Casing Schematic

BHP Int.

$0.052(3617)8.6 = 1617 \text{ psi}$
anticipate 1500-2000
13-3/8"
MW 8.4
Frac 19.3

Gas

$.12(3617) = 434$
 $1617 - 434 = 1183 \text{ psi MASP}$

BOPE = 3M

Burst = 1730
70% = 1211 psi

Max P @ surf. shoe

$.22(3117) = 686$
 $1617 - 686 = 931 \text{ psi}$
Test to 931 psi ✓
9-5/8"
MW 8.6
Frac 19.3

BHP

$0.052(9300)8.6 = 4159 \text{ psi}$
anticipate <2000

Gas

$.12(9300) = 1176$
 $4159 - 1176 = 2983 \text{ psi MASP}$

BOPE = 3M ✓

Burst = 3520
70% = 2464 psi

Max P @ int. shoe

$.22(5683) = 1250$
 $4159 - 1250 = 2909 \text{ psi}$

Test to 2464 psi ✓

5-1/2"
MW 8.6

TOC @ 29.

TOC @ 107.

Surface
500. MD
500. TVD

TOC to surf w/7% w/o
*Surf stop ✓

TOC @ 1599.

TOC to surf. w/6% w/o

3635' Wasatch Tongue
Intermediate
3975' 3950. MD Green River Tongue
4115' 3617. TVD Wasatch
4400' ± 8 MSW

4955' Chapita Wells

6055' Ute Land Buttes

6805' Mesaverde

Production
9633. MD
9300. TVD

✓ Adequate DWD 12/21/06

Well name:

2006-12 Dominion LCU 16-2HOperator: **Dominion Exploration and Production**String type: **Surface**

Project ID:

43-047-38675

Location: **Uintah County****Design parameters:****Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 82 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 500 ft

Cement top: 107 ft

BurstMax anticipated surface
pressure: 1,182 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,242 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 438 ft

Non-directional string.**Re subsequent strings:**Next setting depth: 3,617 ft
Next mud weight: 8.600 ppg
Next setting BHP: 1,616 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,972 ft
Injection pressure: 1,972 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	500	13.375	48.00	H-40	ST&C	500	500	12.59	440.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	218	740	3.392	1242	1730	1.39	21	322	15.30 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: December 19, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 500 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	2006-12 Dominion LCU 16-2H	
Operator:	Dominion Exploration and Production	
String type:	Intermediate	Project ID: 43-047-38675
Location:	Uintah County	

Design parameters:
Collapse

Mud weight: 8.600 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 126 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 500 ft

Cement top: 29 ft

Burst

Max anticipated surface pressure: 2,033 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 2,829 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.

Neutral point: 3,485 ft

Directional well information:

Kick-off point 530 ft
Departure at shoe: 1305 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 0 °

Re subsequent strings:

Next setting depth: 8,967 ft
Next mud weight: 8.600 ppg
Next setting BHP: 4,006 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 3,617 ft
Injection pressure: 3,617 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	3950	9.625	36.00	J-55	ST&C	3617	3950	8.796	1714.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1616	2020	1.250	2829	3520	1.24	114	394	3.47 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Minerals

Phone: 801-538-5357
FAX: 801-359-3940

Date: December 19, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3617 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

2006-12 Dominion LCU 16-2HOperator: **Dominion Exploration and Production**String type: **Production**

Project ID:

43-047-38675Location: **Uintah County****Design parameters:****Collapse**Mud weight: 8.600 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 205 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 1,599 ft

BurstMax anticipated surface
pressure: 2,109 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 4,155 psi

No backup mud specified.

Depth of change: 2,000 ft
Upper annular mud: 0.000 ppg**Tension:**8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)**Directional well information:**Kick-off point 530 ft
Departure at shoe: 1305 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 0 °Tension is based on buoyed weight.
Neutral point: 8,420 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9633	5.5	17.00	Mav-80	LT&C	9300	9633	4.767	1257.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4155	6290	1.514	4155	7740	1.86	137	273	1.99 B

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: 801-538-5357
FAX: 801-359-3940Date: December 19, 2006
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 9300 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

October 11, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Little Canyon Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Little Canyon Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ MesaVerde)		
43-047-38676	LCU 12-9H Sec 09 T11S R20E 2108	FSL 0631 FWL
43-047-38677	LCU 06-9H Sec 09 T11S R20E 2191	FNL 1551 FWL
	BHL Sec 09 T11S R20E 1980	FNL 1980 FWL
43-047-38678	LCU 04-11H Sec 11 T11S R20E 0948	FNL 0660 FWL
43-047-38679	LCU 09-12H Sec 12 T11S R20E 1859	FSL 0595 FEL
43-047-38680	LCU 10-16H Sec 16 T11S R20E 2220	FSL 2343 FEL
	BHL Sec 16 T11S R20E 1980	FSL 1980 FEL
43-047-38681	LCU 14-16H Sec 16 T11S R20E 0602	FSL 1928 FWL
43-047-38682	LCU 14-6G Sec 06 T11S R21E 0725	FSL 2091 FWL
43-047-38683	LCU 13-6G Sec 06 T11S R21E 0695	FSL 0681 FWL
43-047-38684	LCU 10-6G Sec 06 T11S R21E 2038	FSL 2170 FEL
43-047-38685	LCU 05-6G Sec 06 T11S R21E 2016	FNL 0451 FWL
43-047-38686	LCU 04-6G Sec 06 T11S R21E 0669	FNL 0584 FWL
43-047-38687	LCU 07-6G Sec 06 T11S R21E 1814	FNL 1587 FEL
43-047-38688	LCU 03-6G Sec 06 T11S R21E 0808	FNL 2008 FWL
43-047-38675	LCU 16-2H Sec 01 T11S R20E 1469	FSL 0357 FWL
	BHL Sec 02 T11S R20E 0660	FSL 0660 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48771
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: 14000 Quail Spr. Pkwy CITY Oklahoma City STATE OK ZIP 73134		7. UNIT or CA AGREEMENT NAME: Little Canyon
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,469' FSL & 357' FWL, QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 1 11S 20E S		8. WELL NAME and NUMBER: LCU 16-2H
PHONE NUMBER: (405) 749-5263		9. API NUMBER: 4304738675
		10. FIELD AND POOL, OR WILDCAT: undesigned
		COUNTY: Uintah
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 2/1/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Federal Surface
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please note that this well is being drilled from federal surface to state mineral. Attached please find an updated form 3 and updated surface use plan page for the submitted APD presently pending approval that accurately reflects the surface as being federal.

ORIGINAL

NAME (PLEASE PRINT) <u>Don Hamilton</u>	TITLE <u>Agent for Dominion Exploration & Production, Inc.</u>
SIGNATURE <u>Don Hamilton</u>	DATE <u>12/8/2006</u>

(This space for State use only)

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DEC 14 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. MINERAL LEASE NO: ML-48771	Federal
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		8. UNIT or CA AGREEMENT NAME: Little Canyon	
3. ADDRESS OF OPERATOR: 14000 Quail Sp Pkwy CITY Oklahoma City STATE OK ZIP 73134		PHONE NUMBER: (405) 749-5263	9. WELL NAME and NUMBER: LCU 16-2H
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,469' FSL & 357' FWL, NW/4 SW/4, Section 1, AT PROPOSED PRODUCING ZONE: 660' FSL & 660' FEL, SE/4 SE/4, Section 2,		10. FIELD AND POOL, OR WILDCAT: undesignated	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.14 miles south of Ouray, Utah		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 357'	16. NUMBER OF ACRES IN LEASE: 638.50	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 450'	19. PROPOSED DEPTH: 9,300	20. BOND DESCRIPTION: SITLA Blanket 76S 63050 361	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,439'	22. APPROXIMATE DATE WORK WILL START: 6/1/2007	23. ESTIMATED DURATION: 14 days	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2"	13-3/8" H-40 ST 48#	500	see Drilling Plan
12-1/4"	9-5/8" J-55 ST 36#	3,950	see Drilling Plan
7-7/8"	5-1/2" Mav 80 L 17#	9,300	see Drilling Plan

25. ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☒ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

CONFIDENTIAL

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.

SIGNATURE Don Hamilton DATE 9/29/2006

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

API NUMBER ASSIGNED: 43-047-38675

Date: 12-21-06

By: [Signature]

Federal Approval is
Action is Necessary

RECEIVED

DEC 14 2006

DIV. OF OIL, GAS & MINING

T11S, R20E, S.L.B.&M.

DOMINION EXPLR. & PROD., INC.

Well location, LCU #16-2H, located as shown in the NW 1/4 SW 1/4 of Section 1, T11S, R20E, S.L.B.&M., Uintah County Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.

BASIS OF BEARINGS

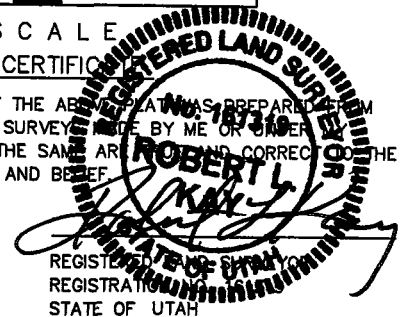
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N89°51'19"W	856.24'



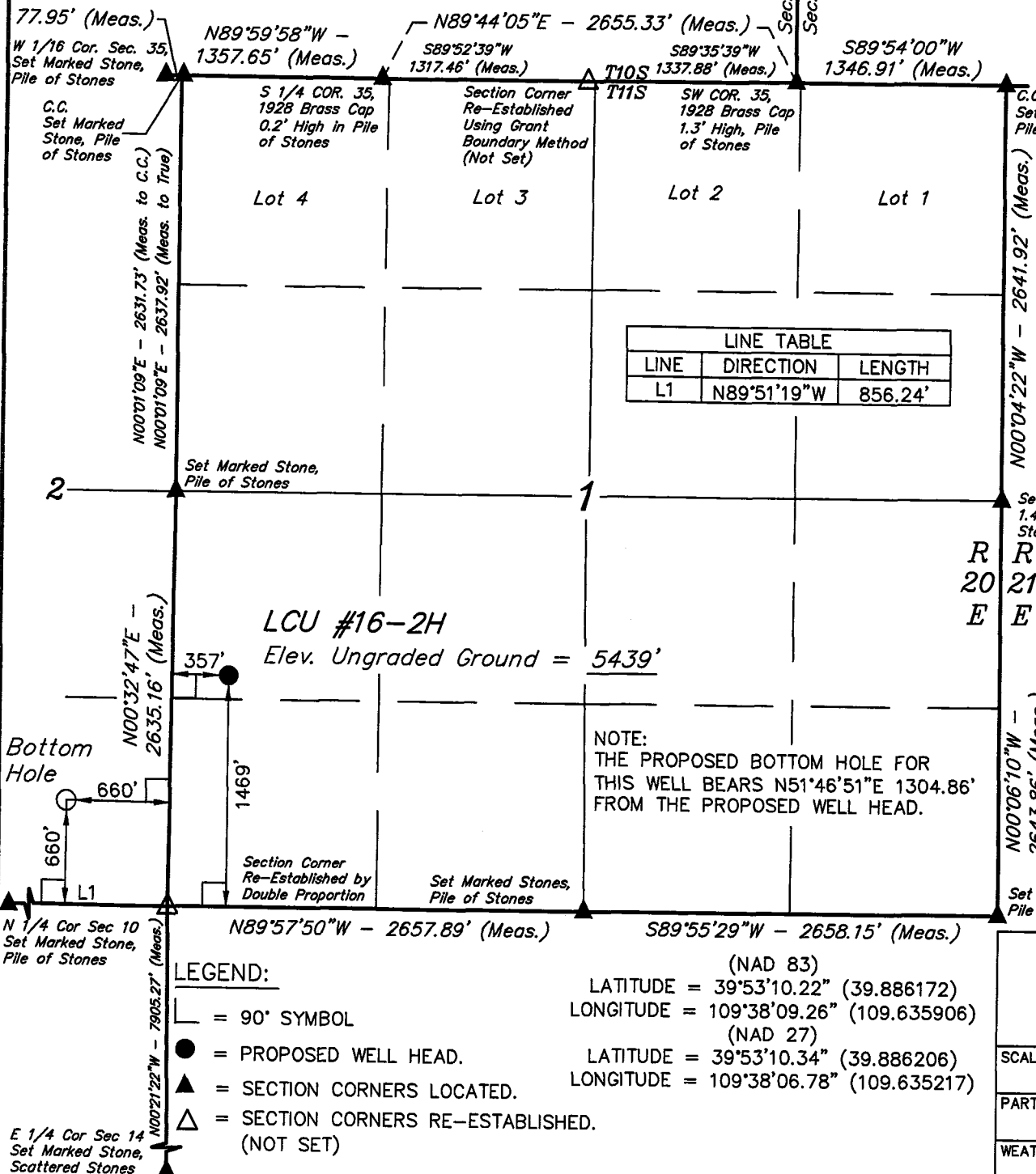
SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-11-06	DATE DRAWN: 05-12-06
PARTY B.B. B.C. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE DOMINION EXPLR. & PROD., INC	



LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED.
(NOT SET)

(NAD 83)
LATITUDE = 39°53'10.22" (39.886172)
LONGITUDE = 109°38'09.26" (109.635906)
(NAD 27)
LATITUDE = 39°53'10.34" (39.886206)
LONGITUDE = 109°38'06.78" (109.635217)

- c. Following BLM published Best Management Practices the interim reclamation will be completed within 90 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - a. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
 - b. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded at 12 lbs /acre with the following native grass seeds:
 - 1. Crested Wheat Grass (4 lbs / acre)
 - 2. Needle and Thread Grass (4 lbs / acre)
 - 3. Rice Grass (4 lbs / acre)
 - c. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- e. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- a. Surface Ownership – Federal under the management of the Bureau of Land Management - Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.
- b. Mineral Ownership – State of Utah – under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

- a. AIA Archaeological will conduct a Class III archeological survey. A copy of the report will be submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Alden Hamblin has conducted a paleontological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Alden Hamblin.
- c. Additional information:
 - a. No drainage crossings that require additional State or Federal approval are being crossed.
 - b. No raptor habitat is known to exist within 1 mile of the proposed wellsite.
 - c. **The wellsite has been moved to this location because a state location could not be found that avoided cultural resources.**



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 21, 2006

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

Re: Little Canyon Unit 16-2H Well, 1469' FSL, 357' FWL, NW SW, Sec. 1,
T. 11 South, R. 20 East, Bottom Location 660' FSL, 660' FEL, SE SE, Sec. 2,
T. 11 South, R. 20 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38675.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
SITLA
Bureau of Land Management, Vernal District Office

Operator: Dominion Exploration & Production, Inc.
Well Name & Number Little Canyon Unit 16-2H
API Number: 43-047-38675
Lease: ML-48771

Location: NW SW **Sec.** 1 **T.** 11 South **R.** 20 East
Bottom Location: SE SE **Sec.** 2 **T.** 11 South **R.** 20 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

5. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

Page 2

43-047-38675

December 21, 2006

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
7. Surface casing shall be cemented to the surface.
8. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.ut.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

January 3, 2007

Carla Christian
Dominion Expl. & Prod., Inc.
14000 Quail Springs Pkwy, Suite 600
Oklahoma City, Oklahoma 73134

~~73-049-386-151~~

Re: Well No. LCU 16-2H 1
NW SW Sec. 1 T11S, R20E 1
Surface Lease No. UTU-73436
Uintah County, Utah

Dear Ms. Christian:

Enclosed are your copies of the above referenced APD which we accepted for "Unit Purposes Only" on January 3, 2007.

If you have any questions, please contact me at (435) 781-4422.

Sincerely,

Phyllis Phillips
Legal Instruments Examiner

Enclosures

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JAN 16 2007

DIV. OF OIL, GAS & MINING

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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OCT - 3 2006

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

BLM VERNAL, UTAH

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Dominion Exploration & Production, Inc.

3a. Address
PO Box 1360; 1400 N. State Street, Roosevelt, UT 84066

3b. Phone No. (include area code)
435-722-4521

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Surface Location: 1,469' FSL & 357' FWL, NW/4 SW/4, Section 1,

5. Lease Serial No.
ML-48771

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
Little Canyon Unit

8. Well Name and No.
LCU 16-2H

9. API Well No.

10. Field and Pool, or Exploratory Area
undesignated

11. County or Parish, State
Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other Fed Surface Use	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Dominion Exploration & Production, Inc. hereby files this request for federal surface use for the LCU 16-2H well (state mineral/federal surface) within the Little Canyon Federal Unit boundary. The federal onsite for the referenced well is pending at this time.

A state APD with a federal surface use plan have been attached to serve as the Plan of Development for this application.

RECEIVED

JAN 16 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Don Hamilton

Title Agent for Dominion Exploration & Production, Inc.

Signature

Don Hamilton

Date

9-29-06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

FILE COPY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

RECEIVED

FORM 3

OCT 03 2006

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-48771	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: Little Canyon	
2. NAME OF OPERATOR: Dominion Exploration & Production, Inc.		9. WELL NAME and NUMBER: LCU 16-2H	
3. ADDRESS OF OPERATOR: 14000 Quail Sp Pkwy CITY Oklahoma City STATE OK ZIP 73134		10. FIELD AND POOL, OR WILDCAT: undesigned	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1,469' FSL & 357' FWL, NW/4 SW/4, Section 1, AT PROPOSED PRODUCING ZONE: 660' FSL & 660' FEL, SE/4 SE/4, Section 2,		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 11S 20E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.14 miles south of Ouray, Utah		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 357'	16. NUMBER OF ACRES IN LEASE: 638.50	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 450'	19. PROPOSED DEPTH: 9,300	20. BOND DESCRIPTION: SITLA Blanket 76S 63050 361	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5,439'	22. APPROXIMATE DATE WORK WILL START: 6/1/2007	23. ESTIMATED DURATION: 14 days	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17-1/2"	13-3/8" H-40 ST 48#	500	see Drilling Plan
12-1/4"	9-5/8" J-55 ST 36#	3,950	see Drilling Plan
7-7/8"	5-1/2" Mav 80 L 17#	9,300	see Drilling Plan

RECEIVED

JAN 16 2007

ATTACHMENTS

DIV. OF OIL, GAS & MINING

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☒ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER

- ☒ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

CONFIDENTIAL

NAME (PLEASE PRINT) Don Hamilton TITLE Agent for Dominion Exploration & Production, Inc.
SIGNATURE Don Hamilton DATE 9/29/2006

(This space for State use only)

API NUMBER ASSIGNED: _____

APPROVAL: _____

ACCEPTED BY BLM FOR
PURPOSES ONLY

JAN - 3 2007

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ
 2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

7/1/2007

FROM: (Old Operator): N1095-Dominion Exploration & Production, Inc 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 Phone: 1 (405) 749-1300	TO: (New Operator): N2615-XTO Energy Inc 810 Houston St Fort Worth, TX 76102 Phone: 1 (817) 870-2800
--	--

CA No.				Unit:		LITTLE CANYON		
WELL NAME	SEC TWN RNG			API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 8/6/2007
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 8/6/2007
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 8/6/2007
- a. Is the new operator registered in the State of Utah: Business Number: 5655506-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2) Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: _____
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: _____
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 9/27/2007
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 9/27/2007
- Bond information entered in RBDMS on: 9/27/2007
- Fee/State wells attached to bond in RBDMS on: 9/27/2007
- Injection Projects to new operator in RBDMS on: 9/27/2007
- Receipt of Acceptance of Drilling Procedures for APD/New on: 9/27/2007

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: UTB000138
 - Indian well(s) covered by Bond Number: n/a
 - a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number 104312762
 - b. The **FORMER** operator has requested a release of liability from their bond on: 1/23/2008
- The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:

XTO Energy Inc.

N 2615

3. ADDRESS OF OPERATOR: 810 Houston Street

CITY Fort Worth

STATE TX

ZIP 76102

PHONE NUMBER:

(817) 870-2800

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

SEE ATTACHED

9. API NUMBER:

SEE ATTACHED

10. FIELD AND POOL, OR WILDCAT:

Natural Buttes

4. LOCATION OF WELL

FOOTAGES AT SURFACE: SEE ATTACHED

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective July 1, 2007, XTO Energy Inc. has purchased the wells listed on the attachment from:

Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, OK 73134

N 1095

James D. Abercrombie

James D. Abercrombie

Sr. Vice President, General Manager - Western Business Unit

(405) 749-1300

Please be advised that XTO Energy Inc. is considered to be the operator on the attached list and is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage is provided by Nationwide BLM Bond #104312750 and Department of Natural Resources Bond #104312762.

NAME (PLEASE PRINT) Edwin S. Ryan, Jr.

TITLE Sr. Vice President - Land Administration

SIGNATURE

Edwin S. Ryan, Jr.

DATE 7/31/2007

(This space for State use only)

APPROVED

9127107

Earlene Russell

Division of Oil, Gas and Mining

Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

AUG 06 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	SEE ATTACHED LIST
API number:	
Location:	Qtr-Qtr: Section: Township: Range
Company that filed original application:	DOMINION E&P
Date original permit was issued:	
Company that permit was issued to:	DOMINION E&P

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.		Yes	No
If located on private land, has the ownership changed?			<input checked="" type="checkbox"/>
<input type="checkbox"/>	If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?			<input checked="" type="checkbox"/>
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?			<input checked="" type="checkbox"/>
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?			<input checked="" type="checkbox"/>
Has the approved source of water for drilling changed?			<input checked="" type="checkbox"/>
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?			<input checked="" type="checkbox"/>
Is bonding still in place, which covers this proposed well? Bond No. <u>104312762</u>		<input checked="" type="checkbox"/>	

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) HOLLY C. PERKINS Title REGULATORY COMPLIANCE TECH
Signature *Holly C. Perkins* Date 08/27/2007
Representing (company name) XTO ENERGY INC.

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

AUG 30 2007

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304736892	LCU 5-9H	SWNW	09	110S	200E	UTU-34350		Federal	GW	APD
4304736893	LCU 5-17H	SWNW	17	110S	200E	UTU-76265		Federal	GW	APD
4304736896	LCU 11-9H	NESW	09	110S	200E	UTU-76265		Federal	GW	APD
4304737059	LCU 2-17H	NWNE	17	110S	200E	UTU-76265		Federal	GW	APD
4304737285	LCU 11-17H	NESW	17	110S	200E	UTU-76265		Federal	OW	APD
4304737286	LCU 7-17H	SWNE	17	110S	200E	UTU-76265		Federal	OW	APD
4304737448	LCU 9-8H	NESE	08	110S	200E	UTU-76265		Federal	OW	APD
4304737653	LCU 14-9H	SESW	09	110S	200E	UTU-76265		Federal	GW	APD
4304737997	LCU 9-10H	NESE	10	110S	200E	UTU-44089		Federal	GW	APD
4304738069	LCU 8-35F	SENE	35	100S	200E	U-01470D		Federal	GW	APD
4304738070	LCU 12-35F	NWSW	35	100S	200E	U-01470D		Federal	GW	APD
4304738071	LCU 15-35F	SWSE	35	100S	200E	U-01470D		Federal	GW	APD
4304738072	LCU 16-35F	SESE	35	100S	200E	U-01470D		Federal	GW	APD
4304738073	LCU 1-1H	NENE	01	110S	200E	UTU-76264		Federal	GW	APD
4304738074	LCU 9-9H	NWSE	09	110S	200E	UTU-76265		Federal	GW	APD
4304738093	LCU 9-1H	NESE	01	110S	200E	UTU-73436		Federal	GW	APD
4304738094	LCU 6-1H	SENW	01	110S	200E	UTU-76264		Federal	GW	APD
4304738095	LCU 4-1H	NWNW	01	110S	200E	UTU-76264		Federal	GW	APD
4304738096	LCU 3-1H	NENW	01	110S	200E	UTU-76264		Federal	GW	APD
4304738097	LCU 15-1H	SWSE	01	110S	200E	UTU-73436		Federal	GW	APD
4304738098	LCU 10-1H	NWSE	01	110S	200E	UTU-73436		Federal	GW	APD
4304738183	LCU 6-35F	SENW	35	100S	200E	U-01470C		Federal	GW	APD
4304738184	LCU 8-9H	NWSE	09	110S	200E	UTU-34350		Federal	GW	APD
4304738185	LCU 8-1H	SENE	01	110S	200E	UTU-76264		Federal	GW	APD
4304738296	LCU 3-17H	NENW	17	110S	200E	UTU-76265		Federal	GW	APD
4304738297	LCU 12-17H	NWSW	17	110S	200E	UTU-76265		Federal	GW	APD
4304738298	LCU 13-17H	SWSW	17	110S	200E	UTU-76265		Federal	GW	APD
4304738379	LCU 2-3H	NWNE	03	110S	200E	UTU-44090-A		Federal	GW	NEW
4304738419	LCU 16-10H	SESE	10	110S	200E	UTU-44089		Federal	GW	APD
4304738420	LCU 5-11H	SWNW	11	110S	200E	UTU-73436		Federal	GW	APD
4304738421	LCU 10-11H	NWSE	11	110S	200E	UTU-73436		Federal	GW	APD
4304738422	LCU 13-11H	SWSW	11	110S	200E	UTU-73436		Federal	GW	APD
4304738423	LCU 15-11H	SWSE	11	110S	200E	UTU-73436		Federal	GW	APD
4304738424	LCU 16-11H	SESE	11	110S	200E	UTU-73436		Federal	GW	APD
4304738503	LCU 4-12H	NENW	12	110S	200E	UTU-73436		Federal	GW	APD
4304738504	LCU 5-12H	NENW	12	110S	200E	UTU-73436		Federal	GW	APD
4304738505	LCU 6-12H	NENW	12	110S	200E	UTU-73436		Federal	GW	APD
4304738676	LCU 12-9H	NWSW	09	110S	200E	UTU-76265		Federal	GW	APD
4304738677	LCU 6-9H	SENW	09	110S	200E	UTU-34350		Federal	GW	APD
4304738678	LCU 4-11H	NWNW	11	110S	200E	UTU-73436		Federal	GW	APD
4304738679	LCU 9-12H	NESE	12	110S	200E	UTU-73436		Federal	GW	APD
4304738682	LCU 14-6G	SESW	06	110S	210E	UTU-81728		Federal	GW	APD
4304738683	LCU 13-6G	SWSW	06	110S	210E	UTU-81728		Federal	GW	APD
4304738684	LCU 10-6G	NWSE	06	110S	210E	UTU-81728		Federal	GW	APD
4304738685	LCU 5-6G	SWNW	06	110S	210E	UTU-75700		Federal	GW	APD
4304738686	LCU 4-6G	NWNW	06	110S	210E	UTU-75700		Federal	GW	APD
4304738687	LCU 7-6G	SWNE	06	110S	210E	UTU-075700		Federal	GW	APD
4304738688	LCU 3-6G	NENW	06	110S	210E	UTU-075700		Federal	GW	APD

N1095 DOMINION E and P, INC. to N2615 XTO ENERGY, INC.

api	well_name	qtr_qtr	sec	tpw	rng	lease_num	entity	Lease	well	stat
4304738784	LCU 11-35F	NESW	35	100S	200E	UTU-82703		Federal	GW	APD
4304738788	LCU 6-10H	SENE	10	110S	200E	UTU-44089		Federal	GW	APD
4304738789	LCU 13-10H	SWSW	10	110S	200E	UTU-44089		Federal	GW	APD
4304738790	LCU 11-11H	SESW	11	110S	200E	UTU-73436		Federal	GW	APD
4304738791	LCU 3-12H	NENW	12	110S	200E	UTU-73436		Federal	GW	APD
4304738892	LCU 7-10H	SWNE	10	110S	200E	UTU-44089		Federal	GW	APD
4304738893	LCU 1-12H	NENE	12	110S	200E	UTU-73436		Federal	GW	APD
4304738946	LCU 13-1H	NWSW	01	110S	200E	UTU-73436		Federal	GW	APD
4304738947	LCU 16-12H	SESE	12	110S	200E	UTU-73436		Federal	GW	APD
4304739050	LCU 15-4H	SWSE	04	110S	200E	UTU-81430		Federal	GW	APD
4304739158	LCU 15-3H	SWSE	03	110S	200E	UTU-34350		Federal	GW	APD
4304739159	LCU 5-3H	NENE	04	110S	200E	UTU-44090-A		Federal	GW	APD
4304739160	LCU 4-3H	NENE	04	110S	200E	UTU-44090-A		Federal	GW	APD
4304739161	LCU 8-8H	SENE	08	110S	200E	UTU-81430		Federal	GW	APD
4304739220	LCU 9-35F	NESE	35	100S	200E	UTU-82703		Federal	GW	APD
4304739221	LCU 7-35F	SWNE	35	100S	200E	UTU-82703		Federal	GW	APD
4304739224	LCU 14-10H	SESW	10	110S	200E	UTU-44089		Federal	GW	APD
4304739225	LCU 3-10H	NENW	10	110S	200E	UTU-44089		Federal	GW	APD
4304736773	LCU 6-16H	SENE	16	110S	200E	ML-48772		State	GW	APD
4304736808	LCU 13-12H	SWSW	12	110S	200E	FEE		Fee	GW	APD
4304736809	LCU 12-16H	NWSW	16	110S	200E	ML-48772		State	GW	APD
4304738027	LCU 1-2H	NENE	02	110S	200E	ML-48771		State	GW	APD
4304738255	LCU 6-2H	SENE	02	110S	200E	ML-48771		State	GW	APD
4304738272	LCU 3-2H	SENE	02	110S	200E	ML-48771		State	GW	APD
4304738343	LCU 14-2H	SESW	02	110S	200E	ML-48771		State	GW	APD
4304738675	LCU 16-2H	NWSW	01	110S	200E	ML-48771		State	GW	APD
4304738680	LCU 10-16H	NWSE	16	110S	200E	ML-48772		State	GW	APD
4304738681	LCU 14-16H	SESW	16	110S	200E	ML-48772		State	GW	APD
4304738785	LCU 5-36F	SWNW	36	100S	200E	ML-47391		State	GW	APD
4304739173	LCU 13-16H	SWSW	16	110S	200E	ML-48772		State	GW	APD
4304739174	LCU 11-16H	NESW	16	110S	200E	ML-48772		State	GW	APD
4304739223	LCU 4-16H	NWNW	16	110S	200E	ML-48772		State	GW	APD



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

Dominion Exploration & Production, Inc.
Attn: James D. Abercrombie
14000 Quail Springs Parkway, #600
Oklahoma City, OK 73134-2600

August 10, 2007

Re: Little Canyon Unit
Uintah County, Utah

Gentlemen:

On August 8, 2007, we received an indenture dated June 30, 2007, whereby Dominion Exploration & Production, Inc. resigned as Unit Operator and XTO Energy Inc. was designated as Successor Unit Operator for the Little Canyon Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 15, 2007. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Little Canyon Unit Agreement.

Your statewide oil and gas bond No. UTB000138 will be used to cover all operations within the River Bend Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Greg J. Noble

Greg J. Noble
Acting Chief, Branch of Fluid Minerals

Enclosure

RECEIVED
AUG 16 2007
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, re-enter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48771
2. NAME OF OPERATOR: XTO Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 1360 City Roosevelt STATE CO 84066		7. UNIT or CA AGREEMENT NAME: Little Canyon Unit
PHONE NUMBER: (435) 722-4521		8. WELL NAME and NUMBER: LCU 16-2H
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,469' FSL & 357' FWL		9. API NUMBER: 4304738675
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 1 11S 20E S		10. FIELD AND POOL, OR WILDCAT: Undesignated
COUNTY: Uintah		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Permit Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy, Inc. hereby requests a one year extension of the state permit for the referenced well.

This is the first extension that has been requested.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-29-07
By: [Signature]

NAME (PLEASE PRINT) Marnie Griffin	TITLE Agent for XTO Energy, Inc.
SIGNATURE [Signature]	DATE 10/26/2007

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738675
Well Name: LCU 16-2H
Location: 1 11S-20E 1,469' FSL & 357' FWL
Company Permit Issued to: XTO Energy, Inc.
Date Original Permit Issued: 12/21/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

 m/
Signature

 10-26-07
Date

Title: Agent

Representing: XTO Energy, Inc.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48771
2. NAME OF OPERATOR: XTO Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 1360 CITY Roosevelt STATE UT ZIP 84066		7. UNIT or CA AGREEMENT NAME: Little Canyon Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,469' FSL & 357' FWL		8. WELL NAME and NUMBER: LCU 16-2H
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 1 11S 20E S		9. API NUMBER: 4304738675
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Undesignated
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Permit Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

XTO Energy, Inc. hereby requests a one year extension of the state permit for the referenced well.

This is the second extension that has been requested.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10/30/08

By: [Signature]

NAME (PLEASE PRINT) Kendell Johnson	TITLE Agent for XTO Energy, Inc.
SIGNATURE <u>[Signature]</u>	DATE 9/22/2008

(This space for State use only)

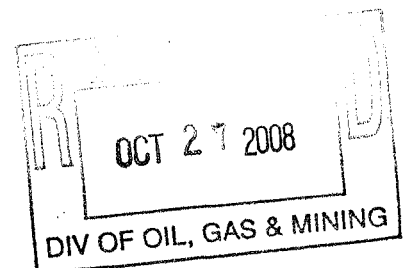
COPY SENT TO OPERATOR

(5/2000)

Date: 10.30.2008

(See Instructions on Reverse Side)

Initials: KS



**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738675
Well Name: LCU 16-2H
Location: 1,469' FSL & 357' FWL Sec. 1, 11S-20E
Company Permit Issued to: XTO Energy, Inc.
Date Original Permit Issued: 12/21/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

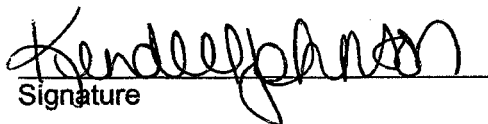
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

9/22/2008

Date

Title: Kendell Johnson

Representing: XTO Energy, Inc.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48771
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: XTO ENERGY INC		7. UNIT or CA AGREEMENT NAME: LITTLE CANYON
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 87410		8. WELL NAME and NUMBER: LCU 16-2H
PHONE NUMBER: 505 333-3159 Ext		9. API NUMBER: 43047386750000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1469 FSL 0357 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 01 Township: 11.0S Range: 20.0E Meridian: S		9. FIELD and POOL or WILDCAT: HILL CREEK
COUNTY: UTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/30/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. XTO hereby requests a one year extension on the State Permit for the refernced well.		
REQUEST DENIED Utah Division of Oil, Gas and Mining Date: <u>October 28, 2009</u> By: _____		
NAME (PLEASE PRINT) Eden Fine		PHONE NUMBER 505 333-3664
SIGNATURE N/A		TITLE Permitting Clerk
DATE 10/27/2009		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047386750000

API: 43047386750000

Well Name: LCU 16-2H

Location: 1469 FSL 0357 FWL QTR NWSW SEC 01 TWP 110S RNG 200E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 12/21/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

REQUEST DENIED

**Utah Division of
Oil, Gas and Mining**

Signature: Eden Fine

Date: 10/27/2009

Title: Permitting Clerk **Representing:** XTO ENERGY INC

Date: October 28, 2009

By: _____

RECEIVED October 27, 2009



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

December 23, 2009

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

Gasco Production Company
8 Inverness Dr. East, Ste. 100
Englewood, CO 80112

Re: APD Rescinded – Little Canyon Unit 16-2H, Sec. 1 T. 11S, R. 20E
Uintah County, Utah API No. 43-047-38675

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 21, 2006. On October 29, 2007 and October 30, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 23, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal
SITLA, Ed Bonner

